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The President

MODIFICATION OF POSTAGE RATES BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS the interest of the public and the promotion of the cultural growth, education, and development of the American people make desirable the further continuation of the postage rates on books as prescribed by Proclamation No. 2309¹ of October 31, 1938, for the period commencing November 1, 1938, and ending June 30, 1939, and renewed by Proclamation No. 2340² of June 30, 1939, for the period commencing July 1, 1939, and ending June 30, 1941, and further renewed by Proclamation No. 2494³ of June 25, 1941, for the period commencing July 1, 1941, and ending September 30, 1941:

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, under and by virtue of the authority vested in me by section 2 of the act of June 16, 1933, 48 Stat. 254, as amended by section 515 of title III of the act of May 10, 1934, 48 Stat. 760, Public Resolution 36, approved June 28, 1935, 49 Stat. 431, Public Resolution 48, approved June 29, 1937, 50 Stat. 358, section 1 of title I of the Revenue Act of 1939, approved June 29, 1939 (Public No. 155, 76th Congress, 1st Session), and the act of May 28, 1941, Public Law 84, do proclaim that the postage rate on books consisting wholly of reading matter and containing no advertising matter other than incidental announcements of books, when mailed under such regulations as the Postmaster General shall prescribe, shall, for the period commencing October 1, 1941, and ending June 30, 1942, continue to be one and one-half cents a pound or fraction thereof, irrespective of the zone of destination.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the United States of America to be affixed.

¹ 3 F.R. 2588.

² 4 F.R. 2748.

³ 6 F.R. 3123.

DONE at the City of Washington this 26th day of September, in the year of our Lord, nineteen hundred and [SEAL] forty-one, and of the Independence of the United States of America the one hundred and sixty-sixth.

FRANKLIN D ROOSEVELT

By the President:

CORDELL HULL,
Secretary of State.

[No. 2513]

[F. R. Doc. 41-7256; Filed, September 29, 1941; 11:56 a. m.]

EXECUTIVE ORDER

AUTHORIZING THE SECRETARY OF THE TREASURY TO PERMIT THE ENTRY OF BONA-FIDE SAMPLES OF COFFEE WITHOUT REGARD TO QUOTA RESTRICTIONS

By virtue of the authority vested in me by section 2 of the joint resolution of Congress approved April 11, 1941 (Public Law 33, 77th Cong.), I hereby authorize the Secretary of the Treasury, under such conditions as he may prescribe, to permit the entry into the United States of bona-fide samples of coffee for testing purposes without regard to the quota restrictions provided for in the Inter-American Coffee Agreement.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
September 26, 1941.

[No. 8909]

[F. R. Doc. 41-7224; Filed, September 27, 1941; 10:17 a. m.]

Rules, Regulations, Orders

TITLE 12—BANKS AND BANKING
CHAPTER II—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

PART 204—RESERVES OF MEMBER BANKS
§ 204.5 Supplement: ¹ Reserves required to be maintained by member

¹ Effective as to each member bank at the opening of business on November 1, 1941. The penalties prescribed by § 204.3 (b) of this

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banks with Federal Reserve banks.
Pursuant to the provisions of section 19 of the Federal Reserve Act and § 204.2 (a) of this part, the Board of Governors of the Federal Reserve System hereby prescribes the following reserve balances which each member bank of the Federal Reserve System is required to maintain on deposit with the Federal Reserve bank of its district:

6 per cent of its time deposits plus—
14 per cent of its net demand deposits if not in a reserve or central reserve city;
20 per cent of its net demand deposits if in a reserve city, except that if located in an outlying district of a reserve city or in territory added to such city by the extension of the city's corporate limits such bank may, upon the affirmative vote of five members of the Board of Governors of the Federal Reserve System, be permitted to maintain 14 per cent reserves against its net demand deposits;
26 per cent of its net demand deposits if located in a central reserve city, except that if located in an outlying district of a central reserve city or in territory

part on deficiencies occurring prior to December 1, 1941, shall be assessed on the basis of the reserve requirements in effect immediately prior to the adoption of this amendment to § 204.5.

² Section 204.5 corresponds to the supplement to Regulation D, Board of Governors of the Federal Reserve System.

added to such city by the extension of the city's corporate limits, such bank may, upon the affirmative vote of five members of the Board of Governors of the Federal Reserve System, be permitted to maintain 14 per cent or 20 per cent reserves against its net demand deposits.

Section 204.5 of this part which was previously issued is hereby revoked and superseded. (Sec. 11 (c), (e), (i), 38 Stat. 262, sec. 10, 40 Stat. 239, sec. 4, 40 Stat. 970, sec. 207, 49 Stat. 706, sec. 324, 49 Stat. 714; 12 U. S. C. 248 (c), (e), (i), 462, 466, 12 U. S. C., Sup., 462b, 461, 462a-1, 465)

Board of Governors of the Federal Reserve System.

[SEAL]

S. R. CARPENTER,
Assistant Secretary.

[F. R. Doc. 41-7222; Filed, September 27, 1941; 10:02 a. m.]

TITLE 14—CIVIL AVIATION

CHAPTER II—ADMINISTRATOR OF CIVIL AERONAUTICS, DEPARTMENT OF COMMERCE

PART 525—NOTICE OF CONSTRUCTION OR ALTERATION OF STRUCTURES ON OR NEAR CIVIL AIRWAYS

Acting pursuant to the authority vested in me by the Civil Aeronautics Act of 1938, as amended, particularly sections 308 and 1101 of said Act, and finding that this action is required to best effectuate the policies declared in, and the purposes of, said Act, and is desirable in the public interest, I hereby adopt the following regulations:

§ 525.1 *Notice required.* Any person who engages in the construction or alteration of any structure along or within 20 miles of a civil airway, in other than congested parts of cities, towns, or settlements, shall give notice thereof to the Administrator of Civil Aeronautics if the top or any part of such structure is, or may become, by reason of such construction or alteration (a) greater than 150 feet above ground level, or (b) greater than 100 feet above mean water level where the structure is, or will be, situated in or over navigable water. Like notice shall also be given to the Administrator of Civil Aeronautics if the top or any part of such structure is, or may become, by reason of such construction or alteration, greater than 5 feet above ground level, or above the mean water level where the structure is or will be situated in or over navigable water, for each 500 feet, or fraction thereof, of the distance that the structure is, or will be, situated from the nearest boundary of a landing area.*

* §§ 525.1 to 525.4, inclusive, issued under the authority contained in secs. 308, 1101, Civil Aeronautics Act of 1938, as amended.

§ 525.2 *Form of notice.* The notice of construction or alteration shall be submitted in duplicate on the form pre-

scribed and furnished by the Administrator at least 30 days, but not more than 45 days, prior to the date on which such construction or alteration is to begin: *Provided*, That in case of an emergency requiring immediate construction or alteration such notice shall be given to the nearest representative of the Administrator in person, or by telephone or telegraph, and the executed form shall be submitted within 5 days thereafter.*

§ 525.3 *Definitions*. As used in the regulations in this part:

(a) "Congested parts of cities, towns or settlements" means (1) sections of those cities, towns or settlements which have a population of less than 100,000, where a structure after construction or alteration will be shielded by existing structures of a permanent and substantial character, each of which is equal to or greater than the height of the completed structure, and (2) sections of those cities which have a population of more than 100,000, where it is evident beyond all reasonable doubt that a structure will not interfere with safety in air commerce whether or not the structure is, or will become by reason of the construction or alteration, greater in height than that of surrounding structures of a permanent and substantial character.

(b) "Landing area" means any landing area, as defined in section 1 (22) of the Civil Aeronautics Act of 1938, as amended, and which is contained in the current list of landing areas issued by the Administrator on November 1 of each calendar year for the enforcement of the regulations in this part.

(c) "Boundary of a landing area" means (1) the limits of that part of a landing area maintained for the use of land aircraft in taking off or landing, or (2) the limits of that part of the landing area suitable for water aircraft in taking off or landing, which limits are defined as being 2500 feet in all directions measured over open water from the principal ramp of the landing area or, if marked in accordance with standard practice, the limits so marked.

(d) "Structure", unless otherwise stated, means any form of construction of a permanent or temporary character, including any apparatus used in the construction, alteration, or repair of any such structure.

(e) "Alteration" means any change in a completed structure which (1) increases the height of the top or any part of the structure to, or above, the height specified in § 525.1, or (2) increases or decreases the height of the top or any part of the structure which is above the height specified in § 525.1.*

§ 525.4 *Effective date*. The regulations in this part shall become effective on November 1, 1941, and shall apply to the construction or alteration of any structure in progress on that date, except that in such cases the prescribed notice shall not be required until November 15, 1941.

The regulations in this part shall apply immediately to any new landing areas contained in the list of landing areas published and issued by the Administrator on November 1 of each calendar year, except that, in the case of construction or alteration of any structure which is already in progress on that date, the prescribed notice shall not be required until 15 days after that date.*

DONALD H. CONNOLLY,
Administrator of Civil Aeronautics.

[F. R. Doc. 41-7221; Filed, September 27, 1941;
9:46 a. m.]

TITLE 16—COMMERCIAL PRACTICES

CHAPTER I—FEDERAL TRADE COMMISSION

[Docket No. 3620]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

IN THE MATTER OF DOMESART CORPORATION,
ET AL.

§ 3.99 (b) *Using or selling lottery devices—In merchandising*. In connection with offer, etc., in commerce, of candy or any other merchandise, (1) selling, etc., candy or any other merchandise so packed or assembled that sales thereof to the public are to be, or may be, made by means of a game of chance, gift enterprise or lottery scheme; (2) supplying, etc., others with push or pull cards, punchboards or other lottery devices, either with assortments of candy or other merchandise or separately, which said push or pull cards, punchboards, or other lottery devices are to be, or may be, used in selling and distributing said candy or other merchandise to the public; and (3) selling, etc., such merchandise by means of a game of chance, gift enterprise, or lottery scheme; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C., Supp. IV, sec. 45b) [Cease and desist order, Domesart Corporation, et al., Docket 3620, September 17, 1941]

In the Matter of Domesart Corporation, a Corporation, and Joseph Zweigenthal and William M. Safrin, Individually and as Officers of Domesart Corporation

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 17th day of September, A. D. 1941.

This proceeding having been heard¹ by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, the testimony and other evidence introduced before duly appointed trial examiners of the Commission designated by it to serve in this proceeding in support of the allegations of the complaint, the trial examiner's report thereon, and brief filed on behalf of the Commission; and the Commission having made its findings as to the facts

¹ 3 F. R. 2712.

and its conclusion that respondents have violated the provisions of the Federal Trade Commission Act;

It is ordered, That respondent Domesart Corporation, a corporation, its officers, directors, representatives, agents and employees, directly or through any corporate or other device, and respondents Joseph Zweigenthal and William M. Safrin, individually and as officers of said respondent Corporation, in connection with the offering for sale, sale and distribution of candy or any other merchandise in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Selling or distributing candy or any other merchandise so packed or assembled that sales of such candy or other merchandise to the public are to be made, or may be made, by means of a game of chance, gift enterprise or lottery scheme;

(2) Supplying to, or placing in the hands of others, push or pull cards, punch boards or other lottery devices, either with assortments of candy or other merchandise or separately, which said push or pull cards, punch boards, or other lottery devices are to be used, or may be used, in selling and distributing said candy or other merchandise to the public;

(3) Selling or otherwise disposing of such merchandise by means of a game of chance, gift enterprise, or lottery scheme.

It is further ordered that the respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL]

JOE L. EVINS,
Acting Secretary.

[F. R. Doc. 41-7218; Filed, September 27, 1941;
9:44 a. m.]

[Docket No. 3841]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

IN THE MATTER OF MARTHA BEASLEY ASSOCIATES

§ 3.6 (1) *Advertising falsely or misleadingly—Indorsements and testimonials*: § 3.6 (t) *Advertising falsely or misleadingly—Qualities or properties of product*: § 3.6 (x) *Advertising falsely or misleadingly—Results*: § 3.6 (y) *Advertising falsely or misleadingly—Safety*: § 3.18 *Claiming indorsements or testimonials falsely*: § 3.71 (e) *Neglecting, unfairly or deceptively, to make material disclosure—Safety*. Disseminating, etc., in connection with offer, etc., of respondents' "Martha Beasley's Compound Formula No. 2" and "Martha Beasley's Compound Formula No. 3," or any other substantially similar medicinal preparations, any advertisements by means of the United States mails, or in commerce, or by any

means, to induce, etc., directly or indirectly, purchase in commerce, etc., of said preparations, which advertisements represent, directly or by implication, that said preparations constitute competent or effective treatments for delayed menstruation, that they are recommended by physicians generally, and that they are safe for use; or which advertisements fail to reveal that the use of said preparations may cause gastro-intestinal disturbances and excessive congestion and hemorrhage of the pelvic organs, and in the case of pregnancy may cause uterine infection and blood poisoning; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C., Supp. IV, sec. 45b) [Cease and desist order, Martha Beasley Associates, Docket 3841, September 18, 1941]

In the Matter of J. V. Cordes and Mrs. J. H. Cordes, Trading and Doing Business as Martha Beasley Associates

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 18th day of September, A. D. 1941.

This proceeding having been heard¹ by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondents, testimony and other evidence taken before William C. Reeves, trial examiner of the Commission theretofore duly designated by it, in support of and in opposition to the allegations of the complaint, report of the trial examiner upon the evidence, briefs in support of and in opposition to the complaint, and oral argument; and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondents, J. V. Cordes and Mrs. J. H. Cordes, individually and trading as Martha Beasley Associates, or trading under any other name, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of their medicinal preparations designated as "Martha Beasley's Compound Formula No. 2" and "Martha Beasley's Compound Formula No. 3", or any preparations of substantially similar composition or possessing substantially similar properties, whether sold under the same names or under any other names, do forthwith cease and desist from directly or indirectly:

1. Disseminating or causing to be disseminated any advertisement (a) by means of the United States mails or (b) by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisement represents, directly or by implication, that said preparations constitute competent or effective treatments for delayed menstruation; that said preparations are rec-

ommended by physicians generally; that said preparations are safe for use; or which advertisement fails to reveal that the use of said preparations may cause gastro-intestinal disturbances and excessive congestion and hemorrhage of the pelvic organs, and in the case of pregnancy may cause uterine infection and blood poisoning;

2. Disseminating or causing to be disseminated any advertisement by any means for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of said preparations, which advertisement contains any of the representations prohibited in paragraph 1 hereof, or which fails to reveal that the use of said preparations may cause gastro-intestinal disturbances and excessive congestion and hemorrhage of the pelvic organs, and in the case of pregnancy may cause uterine infection and blood poisoning.

It is further ordered, That the respondents shall, within ten (10) days after service upon them of this order, file with the Commission an interim report in writing, stating whether they intend to comply with this order and, if so, the manner and form in which they intend to comply; and that within sixty (60) days after service upon them of this order, said respondents shall file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL]

JOE L. EVINS,
Acting Secretary.

[F. R. Doc. 41-7219; Filed, September 27, 1941;
9:44 a. m.]

[Docket No. 4047]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

IN THE MATTER OF PERFECT VOICE INSTITUTE,
ET AL.

§ 3.6 (t) *Advertising falsely or misleadingly—Qualities or properties of product:* § 3.6 (x) *Advertising falsely or misleadingly—Results:* § 3.6 (y10) *Advertising falsely or misleadingly—Scientific or other relevant facts.* In connection with offer, etc., in commerce, of respondents' course of instruction in the development of the human voice, (1) representing that the development and control of the muscles of the tongue has any beneficial effect upon the voice other than to make it louder or stronger; (2) representing that the use of respondents' course of instruction has any beneficial effect upon the voice other than to make it louder or stronger; and (3) representing that by the use of their said course physical defects of the vocal organs may be corrected, or stammering overcome; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C.,

Supp. IV, sec. 45b) [Cease and desist order, Perfect Voice Institute, et al., Docket 4047, September 18, 1941]

In the Matter of Perfect Voice Institute, a Corporation; Eugene Feuchtinger, Individually and as President of Perfect Voice Institute; Walter A. Jordan, Individually and as Chairman of the Board of Directors of Perfect Voice Institute; and Mary E. Murphy, Individually and as Secretary and Treasurer of Perfect Voice Institute

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 18th day of September, A. D. 1941.

This proceeding having been heard¹ by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, testimony and other evidence taken before trial examiners of the Commission theretofore duly designated by it, in support of and in opposition to the allegations of the complaint, report of the trial examiner upon the evidence, and briefs in support of and in opposition to the complaint (oral argument not having been requested); and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondents, Perfect Voice Institute, a corporation, and its officers, and Eugene Feuchtinger, Walter A. Jordan and Mary E. Murphy, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of their course of instruction in the development of the human voice, do forthwith cease and desist from:

- (1) Representing that the development and control of the muscles of the tongue has any beneficial effect upon the voice other than to make it louder or stronger;
- (2) Representing that the use of respondents' course of instruction has any beneficial effect upon the voice other than to make it louder or stronger;
- (3) Representing that by the use of respondents' course of instruction physical defects of the vocal organs may be corrected, or stammering overcome.

It is further ordered, That the respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL]

JOE L. EVINS,
Acting Secretary.

[F. R. Doc. 41-7220; Filed, September 27, 1941;
9:44 a. m.]

¹ 5 F.R. 1658.

¹ 4 F.R. 3519.

TITLE 21—FOOD AND DRUGS

CHAPTER I—FOOD AND DRUG ADMINISTRATION

[Docket No. FDC-7-E]

PART 18—MILK AND CREAM: DEFINITIONS AND STANDARDS OF IDENTITY; QUALITY AND FILL OF CONTAINER

IN THE MATTER OF THE DEFINITION AND STANDARD OF IDENTITY FOR DRIED SKIM MILK

Amendment of Order¹

Whereas it was the judgment of the Federal Security Administrator, upon consideration of the evidence of record in the above-entitled proceeding, that promulgation of a regulation fixing and establishing a definition and standard of identity for the food commonly known as dried skim milk, powdered skim milk, skim milk powder, would promote honesty and fair dealing in the interest of consumers, for the reasons, among others, that such a regulation would ensure the marketing of that product under a name by which it is commonly known to the purchasers thereof; that it would ensure its manufacture from sweet skim milk of cows; and that it would prevent the inclusion of excess moisture in such food; and

Whereas, on the basis of such judgment, the Federal Security Administrator, by his order dated July 6, 1940, published in the FEDERAL REGISTER of July 12, 1940,² promulgated a regulation fixing and establishing a definition and standard of identity for such food pursuant to the provisions of section 401 of the Federal Food, Drug, and Cosmetic Act, but failed to state specifically that, in his judgment, such action would promote honesty and fair dealing in the interest of consumers; and

Whereas the Twin City Milk Producers Association, a corporation, filed its petition with the Circuit Court of Appeals of the United States for the Eighth Circuit for a judicial review of said order, contending, among other things, that said order was invalid because it did not show that said regulation was promulgated on the basis of, and for the purpose authorized by, the Federal Food, Drug, and Cosmetic Act; and

Whereas said court, by its order dated September 9, 1941, has remanded said administrative order to the Federal Security Administrator "for such finding as he is able and desires to make, as to the basis of his action in promulgating" said regulation;

Now, therefore, in compliance with the direction of said court, and on the basis of the evidence of record at said hearing, the paragraph immediately following "Finding 6" in said administrative order is hereby amended so as to read as follows:

¹ This amends the findings which precede § 18.540 Dried skim milk, powdered skim milk, skim milk powder; identity, 5 F. R. 2543.

² 5 F. R. 2543.

On the basis of all the evidence of record and the foregoing findings of fact it is found and concluded that the regulation fixing and establishing a definition and standard of identity for dried skim milk hereinafter prescribed will promote honesty and fair dealing in the interest of consumers. Such regulation is, therefore, hereby promulgated pursuant to and by virtue of the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 401, 52 Stat. 1046; 21 U.S.C., Supp. V, 341; sec. 701, 52 Stat. 1055; 21 U.S.C., Supp. V, 371), the Reorganization Act of 1939 (53 Stat. 561 ff.; 5 U.S.C., Supp., V, 133 ff.), and Reorganization Plan No. IV (5 F. R. 2421).

PAUL V. McNUTT,
Administrator.

SEPTEMBER 25, 1941.

[F. R. Doc. 41-7225; Filed, September 27, 1941; 10:57 a. m.]

TITLE 26—INTERNAL REVENUE

CHAPTER 1—BUREAU OF INTERNAL REVENUE

SUBCHAPTER A—INCOME AND EXCESS-PROFITS TAX

[T. D. 5071]

PART 19—INCOME TAX UNDER THE INTERNAL REVENUE CODE

Withholding of Tax

In order to conform Regulations 103¹ [Part 19, Title 26, Code of Federal Regulations, 1940 Supp.], relating to the income tax under the Internal Revenue Code, to sections 107, 108, 109 (a) and 118 of the Revenue Act of 1941 (Public Law 250, Seventy-seventh Congress), approved September 20, 1941, amending section 143 and section 144 of the Internal Revenue Code, such regulations are amended as follows:

There is inserted immediately preceding § 19.143-1 *Withholding tax at source*, the following:

SEC. 107. WITHHOLDING OF TAX AT SOURCE. (Revenue Act of 1941, Title I.)

(a) Sections 143 (a) and (b) * * * of the Internal Revenue Code are amended by striking out "15 per centum" wherever occurring therein and inserting in lieu thereof "27½ per centum".

(b) Section 143 (h) of the Internal Revenue Code is repealed.

(c) Subsections (a) and (b) of this section shall apply only with respect to the period beginning with the tenth day after the date of the enactment of this Act.

SEC. 108. TREATY OBLIGATIONS. (Revenue Act of 1941, Title I.)

No amendment made by this title shall apply in any case where its application would be contrary to any treaty obligation of the United States.

SEC. 109. REDUCTION IN PURSUANCE OF TREATIES OF RATES OF TAX AND WITHHOLDING ON NON-RESIDENT ALIEN INDIVIDUALS RESIDENT IN, AND CORPORATIONS ORGANIZED UNDER LAWS OF, WESTERN HEMISPHERE COUNTRIES. (Revenue Act of 1941, Title I.)

(a) Section 143 (a) (1) (relating to withholding of tax on tax-free covenant bonds); section 143 (b) (relating to withholding of tax on dividends, rents, etc.); * * * of the Internal Revenue Code are amended by striking out "a contiguous country" and inserting in lieu thereof "any country in North,

Central, or South America, or in the West Indies, or of Newfoundland".

SEC. 118. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1941, Title I.)

The amendments made by this title (except sections 107, 115, 116, and 117) shall be applicable only with respect to taxable years beginning after December 31, 1940.

Section 19.143-1, as amended by Treasury Decision 5046,² approved May 8, 1941, is further amended as follows:

By striking out "10 percent (15 percent on and after June 26, 1940, except as otherwise provided herein)" wherever appearing therein and inserting in lieu thereof the following: "27½ percent (16½ percent on and after June 26, 1940, and prior to September 30, 1941, and 10 percent prior to June 26, 1940)".

By inserting in the first paragraph thereof immediately after "a contiguous country," the following: "or (as to taxable years beginning after December 31, 1940) any country in North, Central, or South America, or in the West Indies, or of Newfoundland,".

By striking out paragraph (c) thereof.

Section 19.143-3 *Exemption from withholding*, as amended by Treasury Decision 4979, approved July 1, 1940, is further amended by striking from the last paragraph thereof "\$1,000, or \$800 for taxable years beginning after December 31, 1939," and inserting in lieu thereof the following: "\$750 (\$800 for a taxable year beginning after December 31, 1939, but before January 1, 1941, and \$1,000 for a taxable year beginning prior to January 1, 1940)".

There is inserted immediately preceding § 19.144-1 *Withholding in the case of nonresident foreign corporations*, the following:

SEC. 107. WITHHOLDING OF TAX AT SOURCE. (Revenue Act of 1941, Title I.)

(a) Sections * * * 144 of the Internal Revenue Code are amended by striking out "15 per centum" wherever occurring therein and inserting in lieu thereof "27½ per centum".

(b) Section 143 (h) of the Internal Revenue Code is repealed.

(c) Subsections (a) and (b) of this section shall apply only with respect to the period beginning with the tenth day after the date of the enactment of this Act.

SEC. 108. TREATY OBLIGATIONS. (Revenue Act of 1941, Title I.)

No amendment made by this title shall apply in any case where its application would be contrary to any treaty obligation of the United States.

SEC. 109. REDUCTION IN PURSUANCE OF TREATIES OF RATES OF TAX AND WITHHOLDING ON NON-RESIDENT ALIEN INDIVIDUALS RESIDENT IN, AND CORPORATIONS ORGANIZED UNDER LAWS OF, WESTERN HEMISPHERE COUNTRIES. (Revenue Act of 1941, Title I.)

(a) Section * * * 144 (relating to payment of corporation income tax at source); * * * of the Internal Revenue Code are amended by striking out "a contiguous country" and inserting in lieu thereof "any country in North, Central, or South America, or in the West Indies, or of Newfoundland".

¹ 5 F. R. 348, 437, 569.

² 6 F. R. 2377.

SEC. 118. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1941, TITLE I.)

The amendments made by this title (except sections 107, 115, 116, and 117) shall be applicable only with respect to taxable years beginning after December 31, 1940.

Section 19.144-1, as amended by Treasury Decision 5046, is further amended as follows:

By striking from the first paragraph thereof "15 percent" and inserting in lieu thereof the following: "27½ percent (16½ percent on and after June 26, 1940, and prior to September 30, 1941, and 15 percent prior to June 26, 1940)".

By striking from the third paragraph thereof "10 percent (15 percent on and after June 26, 1940 except as otherwise provided herein)" wherever appearing therein and inserting in lieu thereof the following: "27½ percent (16½ percent on and after June 26, 1940, and prior to September 30, 1941, and 10 percent prior to June 26, 1940)".

By inserting in the third paragraph thereof after "a contiguous country," the following: "or (as to taxable years beginning after December 31, 1940) any country in North, Central, or South America, or in the West Indies, or of Newfoundland."

By striking out the last paragraph thereof.

Section 19.144-2 *Aids to withholding agents in determining liability for with-*

holding of tax, as amended by Treasury Decision 5046, is further amended as follows:

By striking out immediately preceding the first table of withholding rates the following: "The following table of withholding rates under the Internal Revenue Code and the tax convention between the United States and Canada has been prepared for the purpose of making a summary of such rates readily available to withholding agents:" and inserting in lieu thereof the following: "The following tables of withholding rates under the Internal Revenue Code, as modified by tax conventions between the United States and other countries, have been prepared for the purpose of making a summary of such rates readily available to withholding agents:".

By striking out immediately preceding the second table of withholding rates the following: "The following table of withholding rates under the Internal Revenue Code as amended and the tax conventions between the United States and Canada and United States and Sweden has been prepared for the purpose of making a summary of such rates readily available to withholding agents:".

By striking out of the caption of the second table thereof "January 1, 1945", and inserting in lieu thereof "September 30, 1941".

By inserting at the end thereof the following table:

For the period on and after September 30, 1941

Classes of taxpayers	Corporate bond interest			Salary or other compensation for personal services	Other fixed or determinable annual or periodical income, including dividends, from sources within the United States
	With tax-free covenant and issued before Jan. 1, 1934		Without tax-free covenant or issued on or after Jan. 1, 1934, with tax-free covenant		
	If corporation assumes over 2 percent of the tax	If corporation assumes not over 2 percent of the tax			
	Percent	Percent	Percent	Percent	Percent
1. Citizen or resident individual, fiduciary, or partnership.....	2	2			
2. Nonresident individual, fiduciary, or partnership.....	2	27½	27½	27½	27½
3. Domestic corporation or resident foreign corporation.....					
4. Nonresident foreign corporation.....	2	27½	27½	27½	27½
5. Unknown owner.....	2	27½	27½		(6)

¹ Salary or compensation for personal services rendered in the United States is not subject to withholding in the case of nonresident aliens, residents of Canada or Mexico, who enter and leave the United States at frequent intervals.

² In the case of a resident of Sweden or a corporation or other entity organized under the laws of Sweden the rate with respect to dividends is 10 percent for at least 2 years beginning Jan. 1, 1940.

³ Interest on any noncorporate security the owner of which is unknown to the withholding agent is subject to withholding at the rate of 27½ percent.

Section 19.262-4 *Withholding by a China Trade corporation*, as amended by Treasury Decision 5046, is further amended as follows:

(a) By striking from the first paragraph thereof "10 percent (15 percent on and after June 26, 1940, except as otherwise provided herein)" wherever appearing therein and inserting in lieu thereof the following: "27½ percent (16½ percent on and after June 26, 1940, and prior to September 30, 1941, and 10 percent prior to June 26, 1940)".

(b) By inserting after "a contiguous country" wherever appearing therein the following: "or (as to taxable years beginning after December 31, 1940) any country in North, Central, or South America, or in the West Indies, or of Newfoundland."

(c) By striking out the last paragraph thereof.

(This Treasury decision is issued under the authority contained in section 62 of the Internal Revenue Code (53 Stat. 32; 26 U.S.C., Sup. V, 62) and sections 107,

108, 109 (a) and 118 of the Revenue Act of 1941 (Public Law 250, Seventy-seventh Congress).)

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: September 27, 1941.

HERBERT E. GASTON,
Acting Secretary of the Treasury.

[F. R. Doc. 41-7229; Filed, September 27, 1941; 12:37 p. m.]

SUBCHAPTER C—MISCELLANEOUS EXCISE TAXES

PART 319—REGULATIONS DEALING WITH TAXES RELATING TO MACHINE GUNS AND CERTAIN OTHER FIREARMS

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Subpart B—Definitions
319.1 Meaning of terms.
Subpart C—Special Taxes
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319.8 Special tax stamp to be posted.
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- 319.20 Scope of subpart.
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319.25 Written order required for transfer of firearm.
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Subpart E—Registration and Identification of Firearms

- 319.31 Registration of firearms.
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- 319.33 Importation.
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319.40 Failure to make returns; substitute returns.
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319.43 Reuse of stamps prohibited.
319.44 Assessment of taxes not paid by stamp.
319.45 Notice and demand for tax: Penalty and interest.

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319.46 Jeopardy assessment.
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319.48 Claims.
319.49 Refunds.
319.50 Promulgation of regulations.

Subpart A—Introductory

§ 319.0 *Scope of regulations.* The regulations in this part deal with:

(a) The special taxes imposed by Chapter 27, Subchapter A, Part VIII, of the Internal Revenue Code, on manufacturers and importers of, and dealers (including pawnbrokers) in, certain firearms, including machine guns and silencers or mufflers; and

(b) The stamp tax imposed by Chapter 25, Subchapter B, of the Internal Revenue Code, on transfers of such firearms.

The provisions of the Internal Revenue Code referred to follow the National Firearms Act approved June 26, 1934, as amended. In addition to these provisions of the Code, other provisions of the internal revenue laws are applicable to these taxes in accordance with the following section of the Code:

SEC. 2731. OTHER LAWS APPLICABLE.

All provisions of law (including those relating to special taxes, to the assessment, collection, remission, and refund of internal revenue taxes, to the engraving, issuance, sale, accountability, cancellation, and distribution of tax-paid stamps provided for in the internal-revenue laws, and to penalties) applicable with respect to the taxes imposed by sections 2550 of subchapter A of chapter 23 and 3220 of subchapter A of chapter 27, and all other provisions of the internal-revenue laws shall, insofar as not inconsistent with the provisions of this subchapter and Part VIII of subchapter A of chapter 27, be applicable with respect to the taxes imposed by section 2720 (a) of subchapter B of this chapter and section 3260 of subchapter A of chapter 27.

The statutory references are to the Internal Revenue Code (53 Stat., Part 1) unless otherwise stated.*

*§§ 319.0 to 319.50, inclusive, issued under the authority contained in section 2732 of the Internal Revenue Code, and follow the statutory provisions to which they, respectively, refer.

Subpart B—Definitions

SEC. 2733. DEFINITIONS.

That for the purposes of this subchapter and Part VIII of subchapter A of chapter 27—

(a) **FIREARM.**—The term "firearm" means a shotgun or rifle having a barrel of less than eighteen inches in length, or any other weapon, except a pistol or revolver, from which a shot is discharged by an explosive if such weapon is capable of being concealed on the person, or a machine gun, and includes a muffler or silencer for any firearm whether or not such firearm is included within the foregoing definition, but does not include any rifle which is within the foregoing provisions solely by reason of the length of its barrel if the caliber of such rifle is .22 or smaller and if its barrel is sixteen inches or more in length.

(b) **MACHINE GUN.**—The term "machine gun" means any weapon which shoots, or is designed to shoot, automatically or semi-automatically, more than one shot, without manual reloading, by a single function of the trigger.

(c) **CONTINENTAL UNITED STATES.**—The term "continental United States" means the

States of the United States and the District of Columbia.

(d) **IMPORTER.**—The term "importer" means any person who imports or brings firearms into the continental United States for sale.

(e) **MANUFACTURER.**—The term "manufacturer" means any person who is engaged within the continental United States in the manufacture of firearms, or who otherwise produces therein any firearm for sale or disposition.

(f) **DEALER.**—The term "dealer" means any person not a manufacturer or importer engaged within the continental United States in the business of selling firearms. The term "dealer" shall include wholesalers, pawnbrokers, and dealers in used firearms.

(g) **INTERSTATE COMMERCE.**—The term "interstate commerce" means transportation from any State or Territory or District, or any insular possession of the United States (including the Philippine Islands), to any other State or to the District of Columbia.

(h) **TO TRANSFER OR TRANSFERRED.**—The term "to transfer" or "transferred" shall include to sell, assign, pledge, lease, loan, give away, or otherwise dispose of.

(i) **PERSON.**—The term "person" includes a partnership, company, association, or corporation, as well as a natural person.

SEC. 3707. DEFINITIONS.

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(2) **PARTNERSHIP AND PARTNER.**—The term "partnership" includes a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this title, a trust or estate or a corporation; and the term "partner" includes a member in such a syndicate, group, pool, joint venture, or organization.

(3) **CORPORATION.**—The term "corporation" includes associations, joint-stock companies, and insurance companies.

(11) **SECRETARY.**—The term "Secretary" means the Secretary of the Treasury.

(12) **COMMISSIONER.**—The term "Commissioner" means the Commissioner of Internal Revenue.

(13) **COLLECTOR.**—The term "collector" means collector of internal revenue.

(14) **TAXPAYER.**—The term "taxpayer" means any person subject to a tax imposed by this title.

(b) **INCLUDES AND INCLUDING.**—The terms "includes" and "including" when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined.

§ 319.1 *Meaning of terms.* As used in the regulations in this part:

(a) The terms defined in the above provisions of the Code shall have the meanings so assigned to them.

(b) The term "muffler" or "silencer" includes any device for silencing or diminishing the report of any portable weapon, such as a rifle, carbine, pistol, revolver, machine gun, submachine gun, shotgun, fowling piece, or other device from which a shot, bullet, or projectile may be discharged by an explosive, and is not limited to mufflers or silencers for "firearms" as defined.

(c) The term "insular possessions" includes the Panama Canal Zone, the Philippine Islands, the Virgin Islands, Guam, Puerto Rico, American Samoa, Wake, the Midway Islands, and Palmyra,

but does not include the Territory of Hawaii.

(d) The term "importation" means the bringing of a "firearm" within the limits of the "continental United States" or of any Territory or "insular possession" of the United States, from a place outside thereof (whether such place be a foreign country or territory subject to the jurisdiction of the United States), with intent to unlade.*

Subpart C—Special Taxes

§ 319.2 *Scope of subpart.* Taxes are imposed at several rates on various occupations involving the production and marketing of firearms. These taxes are characterized as "special." This subpart deals with the computation, time and manner of payment, etc., of these taxes.*

SEC. 3271. PAYMENT OF TAX.

(a) **CONDITION PRECEDENT TO DOING BUSINESS.**—No person shall be engaged in or carry on any trade or business mentioned in this chapter until he has paid a special tax therefor in the manner provided in this chapter.

SEC. 3260. TAX.

(a) **RATE.**—Upon first engaging in business, and thereafter on or before the 1st day of July of each year, every importer, manufacturer, and dealer in firearms shall pay a special tax at the following rates:

- (1) **IMPORTERS OR MANUFACTURERS.**—Importers or manufacturers, \$500 a year;
- (2) **DEALERS OTHER THAN PAWNBROKERS.**—Dealers, other than pawnbrokers, \$200 a year;
- (3) **PAWNBROKERS.**—Pawnbrokers, \$300 a year;

Provided, That manufacturers and dealers in guns with two attached barrels from which only a single discharge can be made from either barrel without manual reloading shall pay the following taxes: Manufacturers, \$25 per year; dealers, \$1 per year.

(b) **COMPUTATION OF TAX.**—Where the tax is payable on the 1st day of July in any year it shall be computed for one year; where the tax is payable on any other day it shall be computed proportionately from the 1st day of the month in which the liability to the tax accrued to the 1st day of July following.

SEC. 3261. REGISTRATION.

(a) **IMPORTERS, MANUFACTURERS, AND DEALERS.**—Upon first engaging in business, and thereafter on or before the 1st day of July of each year, every importer, manufacturer, and dealer in firearms shall register with the collector of internal revenue for each district in which such business is to be carried on his name or style, principal place of business, and places of business in such district.

SEC. 3. EFFECTIVE DATE. (Enacting provisions, Internal Revenue Code.)

Except as otherwise provided herein, this act shall take effect on the day following the date of its enactment.

§ 319.3 *Effective date of special taxes.* The special taxes on importers and manufacturers, dealers other than pawnbrokers, and pawnbrokers, became effective under the National Firearms Act on July 26, 1934. The provisions of the National Firearms Act were superseded, effective February 11, 1939, by provisions of the Internal Revenue Code.*

§ 319.4 *Geographical scope of tax.* The special taxes imposed by the provisions of law quoted are applicable only to persons engaged in business within the

States of the United States and the District of Columbia. Liability to the special taxes is therefore not incurred by persons doing business in the Territories of Alaska and Hawaii, or the insular possessions.*

§ 319.5 *Rates of tax.* The special taxes are as follows:

	Per year
Class 1. Importers or manufacturers of "firearms" as defined (see section 319.1 (a)), except manufacturers in class 2	\$500
Class 2. Persons who manufacture only guns within the definition of "firearms" (see section 326 (a), as amended), from which only a single discharge can be made from either barrel without manual reloading	25
Class 3. Pawnbrokers, except those in class 5	300
Class 4. Dealers, other than pawnbrokers, except those in class 5	200
Class 5. Dealers, (including pawnbrokers) dealing only in guns within the definition of "firearms" (see section 326 (a), as amended), from which only a single discharge can be made from either barrel without manual reloading	1

The tax year begins July 1 and ends June 30. Persons commencing business between August 1 and June 30 (both dates inclusive) of any tax year must pay a proportionate part of the annual tax. Persons in business for only a portion of a month are liable to tax for the entire month. For example, a person commencing business October 21 must pay tax for nine months, or three-fourths of the yearly rate.*

§ 319.6 *Registry, return, and payment of tax.* Every person first engaging in any business mentioned herein must, prior to commencing business, separately for each place of business, register and file return on Form 11-A (Firearms) with, and pay the tax to, the collector for the district in which such place is located. Thereafter, such person must register, file return, and pay the tax on or before the 1st day of July of each year. The collector will furnish the proper form, which must be filled out, subscribed, and attested as indicated therein. Each return must show an individual's full name. A person doing business under a style or trade name must give his own name, followed by his style or trade name. In the case of a copartnership, association, firm, or company, other than a corporation, its style or trade name must be given, also the name of each member and his place of residence. In the case of a corporation, the name and title of each officer and his place of residence must be shown. The exact type of business, whether manufacturer, importer, pawnbroker, or dealer other than pawnbroker, and the period for which special tax is due, must be stated.*

[SEC. 3271. PAYMENT OF TAX.]

(c) *How Paid.*—

(1) *STAMP.*—All special taxes imposed by law, * * * shall be paid by stamps denoting the tax.

SEC. 3273. STAMPS.

(a) *SUPPLY.*—The Commissioner is required to procure appropriate stamps for the payment of all special taxes imposed by law, * * *

SEC. 3659. RECEIPTS FOR TAXES.

(a) *IN GENERAL.*—Every collector and deputy collector shall give receipts for all sums collected by him, excepting only when the same are in payment for stamps sold and delivered; but no collector or deputy collector shall issue a receipt in lieu of a stamp representing a tax.

§ 319.7 *Tax payment evidenced by special tax stamp.* Upon receipt of a return on Form 11-A (Firearms), accompanied by remittance of the full amount due, the collector will issue a special tax stamp as evidence of payment of the special tax. Such payment must be made in the form of cash, certified check, or post office money order.

Collectors will distinctly write or print the taxpayer's registered name (see § 319.6), and the address of the particular place of business designated by street and number, on the stamp before it is delivered or mailed to the taxpayer. Special tax stamps will be transmitted by ordinary mail, unless it is desired that they be transmitted by registered mail, in which case 15 cents additional to pay registry fee should be remitted with the return.

Immediately upon issuance of a special tax stamp each collector should forward to the Bureau a statement showing the name and address of the taxpayer, the kind and serial number of the special tax stamp issued, the taxable period covered thereby, and the amount of tax paid.

Collectors and their deputies are forbidden to issue receipts in lieu of stamps representing the payment of special taxes.*

[SEC. 3273. STAMPS.]

(b) *POSTING.*—Every person engaged in any business, avocation, or employment, who is thereby made liable to a special tax, shall place and keep conspicuously in his establishment or place of business all stamps denoting the payment of said special tax.

SEC. 3274. PENALTIES RELATING TO POSTING OF SPECIAL TAX STAMP.

Any person who shall, through negligence, fail to place and keep stamps denoting the payment of the special tax as provided in section 3273(b) shall be liable to a penalty equal to the special tax for which his business rendered him liable, and the costs of prosecution; but in no case shall said penalty be less than \$10. And where the failure to comply with the provisions of section 3273(b) shall be through willful neglect or refusal, then the penalty shall be double the amount above prescribed: *Provided*, That nothing in this section shall in any way affect the liability of any person for exercising or carrying on any trade, business, or profession, or doing any act for the exercising, carrying on, or doing of which a special tax is imposed by law, without the payment thereof.

§ 319.8 *Special tax stamp to be posted.* Every special tax stamp issued to a taxpayer must be kept posted conspicuously on the premises where the business is operated. One who fails so to post a stamp thereby incurs liability to a penalty, equal and in addition to the tax, plus the costs of prosecution; but in no case shall the penalty (not including the costs of prosecution) be less than \$10. Where the failure is willful the penalty

is doubled. This liability is additional to any and all liability otherwise incurred. (See § 319.10)*

§ 319.9 *Certificates in lieu of stamps lost or destroyed.* When a special tax stamp has been lost or destroyed, such fact should be reported to the collector at once for the purpose of obtaining from him a certificate of payment. Such certificate will be on Form 785, and must be posted in place of the stamp; otherwise liability as above indicated for failure to post the stamp will be incurred. (See § 319.8)*

SEC. 3278. LIABILITY IN CASE OF BUSINESS IN MORE THAN ONE LOCATION.

The payment of the special tax imposed shall not exempt from an additional special tax the person carrying on a trade or business in any other place than that stated in the collector's register; but nothing herein contained shall require a special tax for the storage of goods, wares, or merchandise in other places than the place of business, nor, except as provided in this chapter for the sale by manufacturers or producers of their own goods, wares, and merchandise, at the place of production or manufacture, and at their principal office or place of business, provided no goods, wares, or merchandise shall be kept except as samples at said office or place of business.

§ 319.10 *Several places of business.* Generally a taxpayer must pay as many special taxes as he has places of business. However, a manufacturer upon a single payment of special tax may sell products of his own manufacture at both the place of manufacture and his principal office or place of business, provided no products, except samples, are kept at said office or place of business. Removal of a business to a new location creates a new liability unless the change of location is registered with the collector, as provided in § 319.16.*

SEC. 3279. LIABILITY IN CASE OF DIFFERENT BUSINESSES OF SAME OWNERSHIP AND LOCATION.

Whenever more than one of the pursuits or occupations described in this chapter are carried on in the same place by the same person at the same time, except as otherwise provided in this chapter the tax shall be paid for each according to the rates severally prescribed.

§ 319.11 *Dual occupations incur dual liability.* In any case where more than one taxable business is carried on by the same person at the same location at the same time, special tax in respect to each must be paid.*

SEC. 3277. LIABILITY OF PARTNERS.

Any number of persons doing business in copartnership at any one place shall be required to pay but one special tax.

§ 319.12 *Partnership liability.* Any number of persons doing business in copartnership at any one location shall be required to pay but one special tax. The firm name is the only name required on a special tax stamp issued to a partnership.*

SEC. 3820. LIABILITY IN CASE OF DEATH OR CHANGE OF LOCATION.

(a) *REQUIREMENTS.*—When any person who has paid the special tax for any trade or business dies, his wife or child, or executors or administrators or other legal repre-

representatives, may occupy the house or premises, and in like manner carry on, for the residue of the term for which the tax is paid, the same trade or business as the deceased before carried on, in the same house and upon the same premises, without the payment of any additional tax. And when any person removes from the house or premises for which any trade or business was taxed to any other place, he may carry on the trade or business specified in the collector's register at the place to which he removes, without the payment of any additional tax: *Provided*, That all cases of death, change, or removal, as aforesaid, with the name of the successor to any person deceased, or of the person making such change or removal, shall be registered with the collector, under regulations to be prescribed by the Commissioner.

§ 319.13 *Change of ownership*—(a) *Changes through death*. Whenever any person who has paid special tax dies, the surviving spouse or child, or executors or administrators, or other legal representatives, may carry on such business for the remainder of the term for which tax has been paid without any additional payment, subject to the conditions hereinafter stated. If the surviving spouse or child, or executors or administrators, or other legal representatives of the deceased taxpayer continue the business, such person must within 30 days after the date of the death of the taxpayer execute a new Form 11-A (Firearms). The return thus executed must show the name of the original taxpayer, together with all other data required. (As to liability in case of failure to register, see § 319.16.)

(b) *Changes from other causes*. A receiver or referee in bankruptcy may continue the business under the stamp issued to the taxpayer at the place and for the period for which the tax was paid. An assignee for the benefit of creditors may continue business under his assignor's special tax stamp without incurring additional special tax liability. In such cases the change must be registered with the collector in a manner similar to that required by paragraph (a).

(c) *Changes in firm*. When one or more members of a firm or partnership withdraw, the business may be continued by the remaining partner or partners under the same special tax stamp for the remainder of the period for which the stamp was issued to the old firm. The change shall, however, be registered in the same manner as required in paragraph (a). Where new partners are taken into a firm, the new firm so constituted may not carry on business under the special tax stamp of the old firm. The new firm must make return and pay its own special tax reckoned from the 1st day of the month in which it began business, even though the name of such firm be the same as that of the old. Where the members of a partnership which has paid special tax form a corporation to continue the business, a new special tax stamp must be taken out in the name of the corporation.

(d) *Change in corporation*. A corporation may, upon application to the collector, change its name without cre-

ating a new special tax liability, if the stamp is forwarded to the collector for proper notation within 30 days. An increase in the capital stock of the corporation does not create a new special tax liability if the laws of the State under which it is incorporated permit such increase without the formation of a new corporation. A stockholder in a corporation who after its dissolution continues the business incurs new special tax liability.*

§ 319.14 *Change of business location*—(a) *Procedure by taxpayer*. Whenever a special-tax payer removes his business to a location other than specified in his last special tax return (see § 319.6), he shall, within 30 days after the date of removal, register the change of location with the collector of the district within which the old place of business is located, by filing another return, Form 11-A (Firearms), and designated "removal registry," setting forth the time of removal. The taxpayer's special tax stamp must accompany the return for notation by the collector of the change of location. As to liability in case of failure to register a change of location within 30 days, see § 319.16.

(b) *Procedure by collector: Removal within district*. When registration is made by a special-tax payer in the manner specified in paragraph (a), of the removal of his business to a new location in the same district, the collector will enter on his Record 10 (see § 319.19) the place to which such removal was made and the date of the removal. The same information shall also be entered plainly on the face of the special tax stamp, which will be returned to the taxpayer, by the collector, for posting.

(c) *Procedure by collector: Removal to another district*. In case of removal to another collection district, the collector will note the transfer on his Record 10, stating the location to which the business was removed, and shall then transmit the special tax stamp to the collector for the district to which said business was removed. The latter will make an entry on his Record 10 as in the case of original registration in his district, correct the location shown on the stamp, and note also thereon his name, title, date, and district, and then forward the stamp to the taxpayer.*

SEC. 3634. EXTENSION OF TIME FOR FILING RETURNS.

If the failure to file a return (other than a return of income tax) or list at the time prescribed by law or by regulation made under authority of law is due to sickness or absence, the collector may allow such further time, not exceeding thirty days, for making and filing the return or list as he deems proper.

[SEC. 3612. RETURNS EXECUTED BY COMMISSIONER OR COLLECTOR.]

(d) ADDITIONS TO TAX.—

(1) *FAILURE TO FILE RETURN*.—In case of any failure to make and file a return or list within the time prescribed by law, or prescribed by the Commissioner or the collector in pursuance of law, the Commissioner shall add to the tax 25 per centum

of its amount except that when a return is filed after such time and it is shown that the failure to file it was due to a reasonable cause and not to wilful neglect, no such addition shall be made to the tax: *Provided*, That in the case of a failure to make and file a return required by law, within the time prescribed by law or prescribed by the Commissioner in pursuance of law, if the last date so prescribed for filing the return is after August 30, 1935, then there shall be added to the tax, in lieu of such 25 per centum: 5 per centum if the failure is for not more than 30 days, with an additional 5 per centum for each additional 30 days or fraction thereof during which failure continues, not to exceed 25 per centum in the aggregate.

(2) *FRAUD*.—In case a false or fraudulent return or list is wilfully made, the Commissioner shall add to the tax 50 per centum of its amount.

(e) *COLLECTION OF ADDITIONS TO TAX*.—The amount added to any tax under paragraphs (1) and (2) of subsection (d) shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the neglect, falsity, or fraud, in which case the amount so added shall be collected in the same manner as the tax.

SEC. 3263. UNLAWFUL ACTS IN CASE OF FAILURE TO REGISTER AND PAY SPECIAL TAX.

(a) *IMPORTATION, MANUFACTURE OR DEALING IN FIREARMS*.—It shall be unlawful for any person required to register under the provisions of section 3261 to import, manufacture, or deal in firearms without having registered and paid the tax imposed by section 3260.

SEC. 2729. PENALTIES.

Any person who violates or fails to comply with any of the requirements of this subchapter and Part VIII of subchapter A of chapter 27 shall, upon conviction, be fined not more than \$2,000 or be imprisoned for not more than five years, or both, in the discretion of the court.

§ 319.15 *Penalty for failure to pay special tax*. Persons carrying on a business within the scope of section 3260 without payment of special tax within the time prescribed (see § 319.6) are liable, in addition to the amount of the tax and other penalties, to fine and imprisonment as provided in section 2729.*

§ 319.16 *Liability for failure to register change or removal*. Any person succeeding to and carrying on a business for which special tax has been paid and any tax payer removing his business, with respect to which special tax has been paid, to a place other than that for which tax was paid, without registering such change or removal within 30 days thereafter, will be liable to the additional tax and penalty prescribed in section 3612 (d) for failure to make return (see § 319.17), as well as to fine and imprisonment for carrying on business without payment of special tax. (See § 319.15.)*

§ 319.17 *Penalties for delinquency and fraudulent return*. In case of failure to file a return within the prescribed time, a certain percentage of the amount of the tax is added to the tax unless the return is later filed and failure to file the return within the prescribed time is shown to the satisfaction of the Commissioner to be due to reasonable cause and not to wilful neglect. The amount to be added to the tax is 5 per cent if the failure is for not more than 30 days,

with an additional 5 per cent for each additional 30 days or fraction thereof during which failure continues, not to exceed 25 per cent in the aggregate.

If a false or fraudulent return is filed, the taxpayer is liable to an additional amount equal to 50 per cent of the total tax. If a person liable to tax for an entire year falsely states in his return that he is liable for a portion only of the year, the return is false not only as to the portion of the year not covered but as to the portion falsely represented as the actual period of liability.*

SEC. 3276. APPLICATION OF STATE LAWS.

The payment of any tax imposed by the internal revenue laws for carrying on any trade or business shall not be held to exempt any person from any penalty or punishment provided by the laws of any State for carrying on the same within such State, or in any manner to authorize the commencement or continuance of such trade or business contrary to the laws of such State or in places prohibited by municipal law; nor shall the payment of any such tax be held to prohibit any State from placing a duty or tax on the same trade or business, for State or other purposes.

§ 319.18 *State regulations.* Special tax stamps are merely receipts for the tax. Payment of tax under Federal law confers no privilege to act contrary to State law. One to whom a special tax stamp has been issued may still be punishable under a State law prohibiting or controlling the manufacture or transfer of firearms. On the other hand, compliance with State law confers no immunity under Federal law. Persons who engage in the manufacture, or transfer, of firearms, in violation of the law of a State, are nevertheless required to pay special tax as imposed under the internal revenue laws of the United States.*

SEC. 3275. LIST OF SPECIAL TAXPAYERS FOR PUBLIC INSPECTION.

(a) IN COLLECTOR'S OFFICE.—Each collector shall, under regulations of the Commissioner, place and keep conspicuously in his office, for public inspection, an alphabetical list of the names of all persons who shall have paid special taxes within his district, and shall state thereon the time, place, and business for which such special taxes have been paid, and upon application of any prosecuting officer of any State, county, or municipality, he shall furnish a certified copy thereof, as of a public record, for which a fee of \$1 for each one hundred words or fraction thereof in the copy or copies so requested, may be charged.

§ 319.19 *Public record of special-tax payers.* The list required by section 3275 above shall be kept on Record 10 (see § 319.14), and may be inspected in the collector's office at reasonable and proper times.*

Subpart D—Transfer Tax

§ 319.20 *Scope of subpart.* A tax is imposed on transfers of firearms from one person to another with certain exceptions, and is payable by the affixing of stamps to order forms. This subpart deals with the rate of tax, the use of order forms, and exemption from tax.*

SEC. 3. EFFECTIVE DATE. (Enacting provisions, Internal Revenue Code.)

Except as otherwise provided herein, this act shall take effect on the day following the date of its enactment.

§ 319.21 *Effective date.* The tax on the transfer of firearms became effective under the National Firearms Act on July 26, 1934. The applicable provisions of the National Firearms Act were superseded, effective February 11, 1939, by provisions of the Internal Revenue Code.*

SEC. 2720. TAX.

(a) RATE.—There shall be levied, collected, and paid upon firearms transferred in the continental United States a tax at the rate of \$200 for each firearm: *Provided*, That the transfer tax on any gun with two attached barrels, twelve inches or more in length, from which only a single discharge can be made from either barrel without manual reloading, shall be at the rate of \$1. The tax imposed by this section shall be in addition to any import duty imposed on such firearm.

(b) BY WHOM PAID.—Such tax shall be paid by the transferor.

(c) HOW PAID.—

(1) STAMPS.—Payment of the tax herein provided shall be represented by appropriate stamps to be provided by the Commissioner, with the approval of the Secretary.

SEC. 2722. STAMPS.

(a) AFFIXING.—The stamps provided for in section 2720 (c) (1) shall be affixed to the order for such firearm, hereinafter provided for.

§ 319.22 *Scope of tax.* Except as otherwise provided (see §§ 319.28 and 319.29), each transfer of a firearm within the continental United States is subject to tax to be represented by an adhesive stamp bearing the words "Firearms Act" to be affixed to the order for the firearm. (See §§ 319.25 and 319.42).*

§ 319.23 *Rate of tax.* The transfer tax to be levied, collected, and paid with respect to all articles within the term "firearm" (see § 319.1 (a)) transferred in the continental United States is at the rate of \$200 for each firearm, except that the rate of tax is \$1 upon the transfer of any gun with two attached barrels, 12 inches or more but less than 18 (16 in the case of rifles of .22 caliber or less) inches in length, from which only a single discharge can be made from either barrel without manual reloading. In every case the tax shall be paid by the transferor.*

§ 319.24 *Transfer tax in addition to import duty.* The transfer tax imposed by section 2720 (a) is in addition to any import duty. (See § 319.33).*

SEC. 2723. ORDER FORMS.

(a) GENERAL REQUIREMENTS.—It shall be unlawful for any person to transfer a firearm except in pursuance of a written order from the person seeking to obtain such article, on an application form issued in blank in duplicate for that purpose by the Commissioner. Such order shall identify the applicant by such means of identification as may be prescribed by regulations under this subchapter and Part VIII of subchapter A of chapter 27: *Provided*, That if the applicant is an individual, such identification shall include fingerprints and a photograph thereof.

(b) CONTENTS OF ORDER FORM.—Every person so transferring a firearm shall set forth in each copy of such order the manufacturer's number or other mark identifying such firearm, and shall forward a copy of such order to the Commissioner. The original thereof with stamps affixed, shall be returned to the applicant.

(c) PRIOR TRANSFERS.—No person shall transfer a firearm which has previously been transferred on or after July 26, 1934, unless

such person, in addition to complying with subsection (b), transfers therewith the stamp-affixed order provided for in this section for each such prior transfer, in compliance with such regulations as may be prescribed under this subchapter for proof of payment of all taxes on such firearms.

(e) SUPPLY.—The Commissioner, with the approval of the Secretary, shall cause suitable forms to be prepared for the purposes of subsection (a), and shall cause the same to be distributed to collectors of internal revenue.

§ 319.25 *Written order required for transfer of firearm.* Except as otherwise provided, every person seeking to obtain a firearm must make an application in duplicate to the transferor on order Form 4 (Firearms). The application shall show (a) the name and address of the applicant, and, if the applicant is other than a natural person, the name and address of the principal officer or authorized representative thereof; and (b) the place where the firearm will usually be kept.

If the applicant is an individual, he shall attach to each copy of the application an individual photograph of himself taken within 90 days prior to the date of such application, affix his fingerprints, and furnish such other data as Form 4 (Firearms) requires. The fingerprints must be clear for accurate classification and should be taken before someone properly equipped to take them. The application must be supported by a certificate of the local chief of police, sheriff of the county, United States attorney, United States marshal, or such other person whose certificate may in a particular case be acceptable to the Commissioner, that he is satisfied that the fingerprints and photograph appearing on the application are those of the applicant and that the firearm is intended by the applicant for lawful purposes.

The transferor must furnish the information called for on the form relating to the serial number, model, trade name, and other marks identifying the firearm.

The application for transfer (order Form 4, (Firearms)) must be forwarded, in duplicate, by the transferor direct to the Commissioner of Internal Revenue, Washington, D. C. A "Firearms Act" stamp of the proper denomination (\$200 or \$1) must be affixed to the original order form and properly canceled (see § 319.26) prior to forwarding. The Commissioner, if satisfied that the forms have been correctly prepared, and that the original bears the required stamp, properly canceled, will return the original to the transferor for delivery to the applicant, and will retain the duplicate. No order forms will be approved if the fingerprints are smudged. Upon receipt of the approved order form, the transferor may deliver the firearm to the applicant, together with the original order form with the "Firearms Act" stamp attached thereto.

Where a firearm transferred on or after July 26, 1934, is to be subsequently transferred, a new order form covering such proposed transfer must, when filed with the Commissioner, be accompanied

by the previously approved order form for each prior transfer. Such order forms will be returned by the Commissioner to the present transferor for delivery to the applicant.

In the event that an order form is executed and stamp affixed without the transfer of the firearm being made, the transferor may file a claim on Form 843 (see § 319.48) for redemption of the stamp.*

SEC. 1816. CANCELLATION.

(a) **GENERAL RULE.**—Whenever an adhesive stamp is used for denoting any tax imposed by this chapter, except as hereinafter provided, the person using or affixing the same shall write or stamp or cause to be written or stamped thereupon the initials of his or its name and the date upon which the same is attached or used, so that the same may not again be used: *Provided*, That the Commissioner may prescribe such other method for the cancellation of such stamps as he may deem expedient.

§ 319.26 *Cancellation.* The person affixing a "Firearms Act" stamp shall cancel it by writing or stamping thereon, in ink, his initials, and the day, month, and year, or shall, by cutting with a machine or punch, affix his initials and the date as aforesaid, in such manner as to render it unfit for reuse. The cancellation shall not so deface the stamp as to prevent its denomination and genuineness from being readily determined.*

§ 319.27 *Stolen or lost firearms or documents.*—(a) *Firearms.* Whenever any firearm is stolen or lost, the person losing possession thereof shall, immediately upon discovery of such theft or loss, make a report under oath to the Commissioner of Internal Revenue, Washington, D. C., showing the following:

(1) Name and address of the person in whose name the firearm is registered, (2) kind of firearm, (3) serial number, (4) model, (5) caliber, (6) manufacturer of firearm, (7) date and place of theft or loss, and (8) complete facts and circumstances surrounding such theft or loss.

(b) *Documents.* When any order form, certificate of registry, exemption certificate, or other document evidencing possession of a firearm is stolen, lost, or destroyed, the person losing possession shall immediately upon discovery of the theft, loss, or destruction report the matter to the Commissioner of Internal Revenue, Washington, D. C. The report shall be under oath showing in detail the circumstances of the theft, loss, or destruction and shall include all known facts which may serve to identify the document. Upon receipt of the report, the Commissioner shall make such investigation as appears appropriate and may issue a duplicate document upon such conditions as the circumstances warrant.*

[SEC. 2723. ORDER FORMS.]

(d) **EXEMPTION IN CASE OF REGISTERED IMPORTERS, MANUFACTURERS, AND DEALERS.**—Importers, manufacturers, and dealers who have registered and paid the tax as provided for in Part VIII of subchapter A of chapter 27 shall not be required to conform to the provisions of this section with respect to transactions in firearms with dealers or manufac-

turers if such dealers or manufacturers have registered and have paid such tax, but shall keep such records and make such reports regarding such transactions as may be prescribed by regulations under this subchapter and Part VIII of subchapter A of chapter 27.

§ 319.28 *Special-tax payers.* The transfer tax and the requirements as to use of order forms (see § 319.25) are not applicable where importers, manufacturers, and dealers who have registered and paid special tax transfer to other manufacturers or dealers who have registered and paid special tax. However, such importers, manufacturers, and dealers must keep the records required by § 319.38, and make the returns required by § 319.39.

Before a tax-free transfer is made, the transferor must satisfy himself that the transferee is a registered special-tax payer. If not fully satisfied, he should communicate with the collector of the district in which the transferee is located. Where tax-free transfers to unauthorized persons are made, tax and penal liability will be incurred.*

SEC. 2721. EXEMPTIONS.

(a) **TRANSFERS EXEMPT.**—This subchapter and Part VIII of subchapter A of chapter 27 shall not apply to the transfer of firearms (1) to the United States Government, any State, Territory, or possession of the United States, or to any political subdivision thereof, or to the District of Columbia; (2) to any peace officer or any Federal officer designated by regulations of the Commissioner; (3) to the transfer of any firearm which is unserviceable and which is transferred as a curiosity or ornament.

(b) **NOTICE OF EXEMPTION.**—If the transfer of a firearm is exempted as provided in subsection (a), the person transferring such firearm shall notify the Commissioner of the name and address of the applicant, the number or other mark identifying such firearm, and the date of its transfer, and shall file with the Commissioner such documents in proof thereof as the Commissioner may by regulations prescribe.

§ 319.29 *Peace officers and Federal officers.* The following are hereby designated as officers entitled to receive firearms without order forms (see § 319.25): Sheriffs, chiefs of police, commissioners of police, superintendents or other chief officers of State police units, including State highway patrols, and directors of public safety. Additional officers may be designated by the Commissioner from time to time as in his judgment seems proper. Order forms are not required for procurement of firearms by Federal law enforcement agencies. A peace officer or Federal officer obtaining firearms for official use should do so through or in the name of the organization with which he is connected.

Transfers under section 2721 (a) may be made prior to forwarding Form 5 (Firearms) to the Commissioner, but see § 319.30.*

§ 319.30 *Application for exemption.* Where a transfer is claimed to be exempt from tax under section 2721 (a) (see § 319.29) an application for exemption must be immediately executed by the transferor in duplicate on Form 5 (Firearms) and the original forwarded to the Commissioner of Internal Revenue, Washington, D. C., the duplicate being

retained by the transferor. The application must be supported by the evidence required thereby and any additional evidence relied upon by the transferor or which may be required by the Commissioner.

Before a tax-free transfer is made, the transferor should satisfy himself of the exempt status of the transferee and the bona fides of the transaction. If not fully satisfied, he should communicate with the Commissioner and report all the circumstances and await the Commissioner's advice before making the transfer.

If transfers to unauthorized persons, or transfers otherwise unwarranted, are made, tax and penal liability will be incurred.*

Subpart E—Registration and Identification of Firearms

[SEC. 3261. REGISTRATION.]

(b) **PERSONS IN GENERAL.**—Every person possessing a firearm shall register, with the collector of the district in which he resides, the number or other mark identifying such firearm, together with his name, address, place where such firearm is usually kept, and place of business or employment, and, if such person is other than a natural person, the name and home address of an executive officer thereof: *Provided*, That no person shall be required to register under this subsection with respect to any firearm acquired after July 26, 1934, and in conformity with the provisions of this part and subchapter B of chapter 25.

§ 319.31 *Registration of firearms.* Under section 3261 (b), every person having in the continental United States a firearm (a) possessed by him on July 26, 1934 (the effective date of the National Firearms Act), not already registered, or (b) acquired since that date not in conformity with the provisions of Part VIII, Subchapter A, Chapter 27, and Subchapter B, Chapter 25, of the Internal Revenue Code, must register such firearm on Form 1 (Firearms), in duplicate, with the collector for the district in which such person resides. The duplicate form, after proper endorsement, will be returned to the registrant by the collector and the original forwarded to the Commissioner.*

SEC. 2725. IDENTIFICATION OF FIREARMS.

Each manufacturer and importer of a firearm shall identify it with a number or other identification mark approved by the Commissioner, such number or mark to be stamped or otherwise placed thereon in a manner approved by the Commissioner.

§ 319.32 *Identification of firearms.* Each manufacturer and importer of a firearm shall identify it by stamping, or otherwise conspicuously placing or causing to be stamped or placed thereon, in a manner not susceptible of being readily obliterated or altered, the name and location of the manufacturer or importer; and the serial number, caliber, and model of the firearm. None of the data indicated may be omitted except with the approval of the Commissioner.*

Subpart F—Importation and Exportation

SEC. 2728. IMPORTATION.

No firearm shall be imported or brought into the United States or any territory under its control or jurisdiction (including the Philippine Islands), except that, under regulations prescribed by the Secretary, any fire-

arm may be so imported or brought in when (1) the purpose thereof is shown to be lawful and (2) such firearm is unique or of a type which cannot be obtained within the United States or such territory.

§ 319.33 Importation. The burden of proof is affirmatively on the importer of firearms into the continental United States to show to the satisfaction of the Secretary, prior to importation (see § 319.1 (d)), that the firearm is to be lawfully used and is unique or of a type unobtainable in the United States. One desiring to import firearms into the continental United States shall file application in duplicate on Form 6 (Firearms) with the Commissioner of Internal Revenue. The application shall show the intended port or place of importation and describe the articles intended for importation accurately and in detail, including, as far as practicable, the data indicated by § 319.32. The reasons for the proposed importation and the purposes for which the articles are intended must be clearly shown. To justify importation it must be satisfactorily demonstrated that the desired articles are unique or of a type unobtainable without importation. If uniqueness is claimed, it must be specifically indicated in what particulars the articles are unique. If the application is based on alleged unobtainability, the differences between the desired articles and other articles of the same general character obtainable without importation must be clearly shown. The applicant will be notified of the approval or disapproval of the application. If it is approved, the certificate will be returned to the applicant to be filed with the collector of customs at the port of importation. Collectors of customs will not permit imported firearms to be entered or removed from customs custody, except for exportation, unless covered by an approved application.

Importation into Territories and possessions of the United States will be under the control of the governing authorities of such Territories and possessions. (See § 319.36.)

An importer in the continental United States is subject to tax upon the subsequent transfer of a firearm, and to the requirements as to forms and records, the same as a domestic manufacturer. The transfer tax on a transfer by the importer is additional to any duty upon the importation of a firearm.*

SEC. 2727. EXPORTATION.

Under such rules and regulations as the Commissioner, with the approval of the Secretary, may prescribe, and upon proof of the exportation of any firearm to any foreign country (whether exported as part of another article or not) with respect to which the transfer tax under section 2720 has been paid by the manufacturer, the Commissioner shall refund to the manufacturer the amount of the tax so paid, or, if the manufacturer waives all claim for the amount to be refunded, the refund shall be made to the exporter.

§ 319.34 Exemption from tax. One desiring to export a firearm free of transfer tax must file with the Commissioner an application for exemption cer-

tificate in duplicate on Form 5 (Firearms). The application shall be supported by a certified copy of a written order or contract of sale showing that the firearm is to be shipped to a foreign destination, and such other satisfactory evidence of intended exportation as may be required by the Commissioner. Where there is no order or contract of sale a statement of the circumstances which establish the right of exemption from transfer tax shall be included.

Where it is desired that a transfer to the exporter shall be tax free the transferor shall likewise file an application for a certificate of exemption supported by evidence that the transfer will start the firearm in course of exportation.

If the application is approved, the Commissioner will execute the exemption certificate and return the duplicate to the applicant. Shipment shall not be made without payment of transfer tax until the approved certificate is received.

Issuance of the certificate will suspend assertion of tax liability for a period of six months from the date of issuance. Within this 6-month period there must be furnished to the Commissioner satisfactory evidence of exportation consisting of (a) a copy of the export bill of lading, or (b) a certificate by the agent or representative of the export carrier showing actual exportation of the article; and (c) a certificate of landing signed by a customs officer of the foreign country to which the article is exported, or (d) where such foreign country has no customs administration, a sworn statement of the foreign consignee covering the receipt of the article. Issuance of exemption certificates and furnishing of the required evidence will relieve from liability the actual exporter and one selling to the exporter for export. Where satisfactory evidence of actual exportation is not furnished within the stated period the tax will be assessed.

The procedure indicated will not be necessary in the case of transfers for export between registered taxpayers.*

§ 319.35 Refunds. Where, after payment of tax by the manufacturer, a firearm is exported, a claim for refund on Form 843 may be submitted.

If a manufacturer waives all claim for refund of tax paid on a firearm which is exported, refund may be made to the exporter. A claim for refund by an exporter of tax paid by a manufacturer should be accompanied by waiver of the manufacturer and proof of tax payment by the latter.*

§ 319.36 Territories and insular possessions. Transfers of firearms to persons in the Territories and insular possessions of the United States are exempt from transfer tax, provided title in cases involving change of title (and custody or control, in cases not involving change of title) does not pass to the transferee or his agent in the continental United States. However, such exempt transactions must be covered by approved exemption cer-

tificates and supporting documents corresponding to those required in the case of firearms exported to foreign countries, except that the Commissioner may vary the requirements herein set forth in accordance with the requirements of the governing authority of a Territory or insular possession. Exemption certificates covering shipments to Territories and insular possessions will not be approved without compliance with the requirements of the governing authorities thereof.

In the case of a nontaxable consignment to a person in a Territory or possession of the United States, the exemption extends only to such consignment and not to prior transfers. A transfer to the person making such consignment is taxable.*

Subpart G—Administrative Provisions

§ 319.37 Scope of subpart. This subpart deals with records and returns, distribution and sale of stamps, assessment of tax, and other miscellaneous matters.*

Records and Returns

SEC. 2724. BOOKS, RECORDS, AND RETURNS.

Importers, manufacturers, and dealers shall keep such books and records and render such returns in relation to the transactions in firearms specified in this subchapter and Part VIII of subchapter A of chapter 27 as the Commissioner, with the approval of the Secretary, may by regulations require.

§ 319.38 Records. Every manufacturer, importer, and dealer (including pawnbroker) shall make and keep at his place of business a record showing (a) the manufacture, receipt, transfer, or other disposition of all firearms taxable under the Code, (b) the date of such manufacture, receipt, transfer, or disposition, (c) the number, model, and trade name or other mark identifying each firearm, and (d) the name and address of the person to whom any firearm is transferred, or otherwise conveyed.

This record must be preserved for a period of at least four years from the date of disposition of the firearm, and be at all times readily accessible for inspection.*

§ 319.39 Returns. Immediately upon the manufacture, receipt, transfer, or other disposition of any firearm every manufacturer, importer, dealer other than pawnbroker, and pawnbroker, shall execute an accurate return under oath on either Form 2 (Firearms) or Form 3 (Firearms), in triplicate, setting forth the information called for in § 319.38, above. All transactions occurring during a single day may be included in one return filed at the close of that business day. These returns shall be filed in duplicate with the collector of the district wherein the business of the person making the return is located. The original will be forwarded to the Commissioner, and the duplicate retained by the collector. The triplicate will be retained by the person making the return for a period of four years and be at all times readily accessible for inspection.

Return forms will be supplied by collectors of internal revenue upon application.*

Examination of Books and Witnesses, Etc.

SEC. 3614. EXAMINATION OF BOOKS AND WITNESSES.

(a) TO DETERMINE LIABILITY OF THE TAXPAYER.—The Commissioner, for the purpose of ascertaining the correctness of any return or for the purpose of making a return where none has been made, is authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service, designated by him for that purpose, to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return, and may require the attendance of the person rendering the return or of any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take his testimony with reference to the matter required by law to be included in such return, with power to administer oaths to such person or persons.

SEC. 3615. SUMMONS FROM COLLECTOR TO PRODUCE BOOKS AND GIVE TESTIMONY.

(a) GENERAL AUTHORITY.—It shall be lawful for the collector, subject to the provisions of this section to summon any person to appear before him and produce books at a time and place named in the summons, and to give testimony or answer interrogatories, under oath, respecting any objects or income liable to tax or the returns thereof. The collector may summon any person residing or found within the State or Territory in which his district lies; and when the person intended to be summoned does not reside and can not be found within such State or Territory, he may enter any collection district where such person may be found and there make the examination herein authorized. And to this end he may there exercise all the authority which he might lawfully exercise in the district for which he was commissioned.

SEC. 3612. RETURNS EXECUTED BY COMMISSIONER OR COLLECTOR.

(a) AUTHORITY OF COLLECTOR.—If any person fails to make and file a return or list at the time prescribed by law or by regulation made under authority of law, or makes, willfully or otherwise, a false or fraudulent return or list, the collector or deputy collector shall make the return or list from his own knowledge and from such information as he can obtain through testimony or otherwise.

(b) AUTHORITY OF COMMISSIONER.—In any such case the Commissioner may, from his own knowledge and from such information as he can obtain through testimony or otherwise—

(1) TO MAKE RETURN.—Make a return, or

(2) TO AMEND COLLECTOR'S RETURN.—Amend any return made by a collector or deputy collector.

(c) LEGAL STATUS OF RETURNS.—Any return or list so made and subscribed by the Commissioner, or by a collector or deputy collector and approved by the Commissioner, shall be prima facie good and sufficient for all legal purposes.

§ 319.40 Failure to make returns; substitute returns. (a) If any person required by the regulations in this part to make returns shall fail or refuse to make any such return within the time prescribed by these regulations or designated by the Commissioner, then the return shall be made by an internal revenue officer upon inspection of the books, but the making of such return by an internal revenue officer shall not relieve

the person from any default or penalty incurred by reason of failure to make such return.

(b) Any officer designated by the Commissioner shall have authority to examine the books, papers, and records kept pursuant to the regulations in this part, and may require the production of any books, records, papers, or statements of account necessary to determine any liability to the tax or the observance of the provisions of the regulations in this part.

(c) Any person failing to keep records or make returns is liable to fine and imprisonment as provided in section 2729, *supra*.

(d) Any person assisting in the preparation of fraudulent returns is liable to fine and imprisonment as provided in section 3793 (b), (1), *infra*.*

[SEC. 2720. TAX.]

(c) HOW PAID.—

(1) STAMPS.—Payment of the tax herein provided shall be represented by appropriate stamps to be provided by the Commissioner, with the approval of the Secretary.

[SEC. 3271. PAYMENT OF TAX.]

(c) HOW PAID.—

(1) STAMP.—All special taxes imposed by law, including the tax on stills or worms, shall be paid by stamps denoting the tax.

Distribution and Sale of Stamps

§ 319.41 Orders for stamps. (a) Each order for stamps to be used under the regulations in this part shall be made in writing to the collector or duly authorized deputy collector in the internal revenue district in which the stamps are to be used, showing the date of the order, the number of Firearms stamps applied for, and the name and address of the purchaser, and shall be signed in ink by the purchaser.

(b) The collector shall preserve the orders for stamps sold by him for at least four years.*

§ 319.42 Stamps authorized. \$1 and \$200 adhesive stamps bearing the words "Firearms Act" have been prepared and distributed, and only such stamps shall be used for the payment of the transfer tax.*

§ 319.43 Reuse of stamps prohibited. A stamp once affixed to one instrument can not lawfully be removed and affixed to another.*

SEC. 3640. ASSESSMENT AUTHORITY.

The Commissioner is authorized and required to make the inquiries, determinations, and assessments of all taxes and penalties imposed by this title, or accruing under any former internal revenue law, where such taxes have not been duly paid by stamp at the time and in the manner provided by law.

Assessment and Collection of Tax

§ 319.44 Assessment of taxes not paid by stamp. In cases where the transfer tax has not been paid and the taxpayer refuses to execute Form 4 (Firearms) and affix the stamp, the transfer tax shall be reported for assessment. When an assessment is paid a receipt on Form 1 will be issued. In those instances where stamps are purchased and affixed

to the order, receipt on Form 1 will not be issued. (See § 319.25.)

Special tax which the taxpayer refuses or fails to pay may likewise be reported for assessment.*

SEC. 3655. NOTICE AND DEMAND FOR TAX.

(a) DELIVERY.—Where it is not otherwise provided, the collector shall in person or by deputy, within ten days after receiving any list of taxes from the Commissioner, give notice to each person liable to pay any taxes stated therein, to be left at his dwelling or usual place of business, or to be sent by mail, stating the amount of such taxes and demanding payment thereof.

(b) ADDITION TO TAX FOR NONPAYMENT.—If such person does not pay the taxes, within ten days after the service or the sending by mail of such notice, it shall be the duty of the collector or his deputy to collect said taxes with a penalty of 5 per centum additional upon the amount of taxes, and interest at the rate of 6 per centum per annum from the date of such notice to the date of payment; except that in the case of income, estate or gift taxes, such penalties shall not apply and the interest for nonpayment of tax shall be such as is specifically provided by law with respect to such taxes.

SEC. 3670. PROPERTY SUBJECT TO LIEN.

If any person liable to pay any tax neglects or refuses to pay the same after demand, the amount (including any interest, penalty, additional amount, or addition to such tax, together with any costs that may accrue in addition thereto) shall be a lien in favor of the United States upon all property and rights to property, whether real or personal, belonging to such person.

SEC. 3690. AUTHORITY TO DISTRAIN.

If any person liable to pay any taxes neglects or refuses to pay the same within ten days after notice and demand, it shall be lawful for the collector or his deputy to collect the said taxes, with such interest and other additional amounts as are required by law, by distraint and sale, in the manner provided in this subchapter, of the goods, chattels, or effects, including stocks, securities, bank accounts, and evidences of debt, of the person delinquent as aforesaid.

§ 319.45 Notice and demand for tax: Penalty and interest. Where assessment is made, and payment is not made within 10 days after the issuance of the first notice and demand (Form 17), there will accrue under section 3655, a 5 per cent penalty and interest at the rate of 6 per cent per annum computed upon the entire assessment from the date of issuance of Form 17 until date of payment. Where assessment is settled by partial payments, interest is computed at the above-prescribed rates from the date of the first 10-day notice through the date of first payment and on the balance from the next succeeding day to the date of the next payment until the assessment is paid in full.

If a claim for abatement is filed with the collector within 10 days after the date of the issuance of the first notice and demand, the 5 per cent penalty does not attach. If the assessment is not paid within 10 days after receipt of notice of rejection of the claim, the 5 per cent penalty applies. The filing of the claim does not stay the collection of interest, which continues to run for the full period that intervenes between the date of the first notice and demand and the date of payment.*

SEC. 3660. JEOPARDY ASSESSMENT.

(a) If the Commissioner believes that the collection of any tax (other than income tax, estate tax, and gift tax) under any provision of the internal-revenue laws will be jeopardized by delay, he shall, whether or not the time otherwise prescribed by law for making return and paying such tax has expired, immediately assess such tax (together with all interest and penalties the assessment of which is provided for by law). Such tax, penalties, and interest shall thereupon become immediately due and payable, and immediate notice and demand shall be made by the collector for the payment thereof. Upon failure or refusal to pay such tax, penalty, and interest, collection thereof by distraint shall be lawful without regard to the period prescribed in section 3690.

(b) The collection of the whole or any part of the amount of such assessment may be stayed by filing with the collector a bond in such amount, not exceeding double the amount as to which the stay is desired, and with such sureties, as the collector deems necessary, conditioned upon the payment of the amount collection of which is stayed, at the time at which, but for this section, such amount would be due.

§ 319.46 Jeopardy assessment. Whenever, in the opinion of the collector, it becomes necessary to protect the interests of the Government by effecting immediate collection of tax, the matter shall be promptly reported to the Commissioner by telegram or letter showing the reasons therefor. The communication must state the full name and address of the person involved, the kind and amount of tax due, and the period involved, so that the Commissioner can immediately assess the tax, together with all penalties and interest due. Such tax, penalties, and interest will, upon assessment, become immediately due and payable, and the collector shall, without delay, issue a notice and demand for payment thereof in full.

The collection of the whole or any part of the amount of such assessment may be stayed by filing with the collector a bond in such amount, not exceeding double the amount with respect to which the stay is desired, and with such sureties as the collector deems necessary, conditioned upon the payment of the amount, collection of which is stayed, at the time at which such amount would normally be due.

Upon refusal to pay, or failure to pay or give bond, the collector shall proceed immediately to collect the tax, penalty, and interest, by distraint, without regard to the 10-day period after notice and demand prescribed in section 3690. (See § 319.45.) *

Redemption of or Allowance for Stamps

SEC. 3304. REDEMPTION OF STAMPS.

(a) **AUTHORIZATION.**—The Commissioner, subject to regulations prescribed by the Secretary, may, upon receipt of satisfactory evidence of the facts, make allowance for or redeem such of the stamps, issued under authority of law, to denote the payment of any internal revenue tax, as may have been spoiled, destroyed, or rendered useless or unfit for the purpose intended, or for which the owner may have no use, or which through mistake may have been improperly or unnecessarily used, or where the rates or duties represented thereby have been excessive in amount, paid in error, or in any manner wrongfully collected.

(b) **METHOD AND CONDITIONS OF ALLOWANCE.**—Such allowance or redemption may be

made, either by giving other stamps in lieu of the stamps so allowed for or redeemed, or by refunding the amount or value to the owner thereof, deducting therefrom, in case of repayment, the percentage, if any, allowed to the purchaser thereof; but no allowance or redemption shall be made in any case until the stamps so spoiled or rendered useless shall have been returned to the Commissioner, or until satisfactory proof has been made showing the reason why the same can not be returned; or, if so required by the said Commissioner, when the person presenting the same can not satisfactorily trace the history of said stamps from their issuance to the presentation of his claim as aforesaid.

(c) **TIME FOR FILING CLAIMS.**—No claim for the redemption of or allowance for stamps shall be allowed unless presented within four years after the purchase of such stamps from the Government.

(d) **FINALITY OF COMMISSIONER'S DECISIONS.**—The finding of facts in and the decision of the Commissioner upon the merits of any claim presented under or authorized by this section shall, in the absence of fraud or mistake in mathematical calculation, be final and not subject to revision by any accounting officer.

§ 319.47 Stamps rendered useless, affixed in error, or for which the owner has no use. Where a purchaser receives stamps from the Government which have been rendered useless by gumming or sticking together, they may be exchanged by a collector for other stamps of exactly the same quantity and denomination. Amounts paid for stamps rendered useless by gumming or sticking together after receipt by the purchaser, or used in excess, or on instruments not actually effective, or on instruments not subject to tax, or for which the owner has no use, may be refunded, upon claim properly presented to the collector.*

§ 319.48 Claims. All claims for the redemption of or allowance for stamps must be presented to the collector on Form 843 within four years after the purchase of said stamps from the Government. In filing a claim for the redemption of or allowance for stamps, the stamps involved should be submitted therewith, or if it is impracticable to remove the stamps from the instruments to which they are attached, they should be presented to a deputy collector or other internal revenue representative, who shall write on the face of the stamps the words "Claim for refund filed" and attach to the claim a statement showing that such indorsement has been made. In any case where the actual date of purchase of the stamps from the Government can not be given, it must be definitely shown in the claim whether they were so purchased from the Government within four years prior to the date of filing of the claim.*

Refunds

SEC. 3770 (AS AMENDED BY SECTION 508 (b), SECOND REVENUE ACT OF 1940). AUTHORITY TO MAKE ABATEMENTS, CREDITS, AND REFUNDS.

(a) **TO TAXPAYERS.**—

(1) **ASSESSMENTS AND COLLECTIONS GENERALLY.**—Except as otherwise provided by law in the case of income, war-profits, excess-profits, estate, and gift taxes, the Commissioner, subject to regulations prescribed by the Secretary, is authorized to remit, refund, and pay back all taxes erroneously or illegally assessed or collected, all penalties

collected without authority, and all taxes that appear to be unjustly assessed or excessive in amount, or in any manner wrongfully collected.

(2) **ASSESSMENTS AND COLLECTIONS AFTER LIMITATION PERIOD.**—Any tax (or any interest, penalty, additional amount, or addition to such tax) assessed or paid after the expiration of the period of limitation properly applicable thereto shall be considered an overpayment and shall be credited or refunded to the taxpayer if claim therefor is filed within the period of limitation for filing such claim.

(3) **DATE OF ALLOWANCE.**—Where the Commissioner has signed a schedule of over-assessments in respect of any internal revenue tax imposed by this title, the Revenue Act of 1932, or any prior revenue Act, the date on which he first signed such schedule (if after May 28, 1928) shall be considered as the date of allowance of refund or credit in respect of such tax.

SEC. 3313. PERIOD OF LIMITATION UPON REFUNDS AND CREDITS.

All claims for the refunding or crediting of any internal revenue tax alleged to have been erroneously or illegally assessed or collected, or of any penalty alleged to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected must, except as otherwise provided by law in the case of income, war-profits, excess-profits, estate, and gift taxes, be presented to the Commissioner within four years next after the payment of such tax, penalty, or sum. The amount of the refund (in the case of taxes other than income, war-profits, excess-profits, estate, and gift taxes) shall not exceed the portion of the tax, penalty, or sum paid during the four years immediately preceding the filing of the claim, or if no claim was filed, then during the four years immediately preceding the allowance of the refund.

§ 319.49 Refunds. As indicated hereinbefore, the transfer tax is ordinarily paid by the purchase and affixing of stamps, while special tax stamps are issued in payment of special taxes. However, in exceptional cases, such taxes may be paid pursuant to assessment. (See § 319.44.) Claims for refund of amounts so paid must be presented to the collector on Form 843 within four years next after payment of the taxes.*

Violations, Fines, Penalties, Searches, Seizures, and Forfeitures

SEC. 2729. PENALTIES.

Any person who violates or fails to comply with any of the requirements of this subchapter and Part VIII of subchapter A of chapter 27 shall, upon conviction, be fined not more than \$2,000 or be imprisoned for not more than five years, or both, in the discretion of the court.

SEC. 1823. FRAUDS RELATING TO STAMPS.

Whoever—

(c) **REUSE OF STAMPS.**—

(1) **PREPARING FOR REUSE.**—Willfully removes, or alters the cancellation or defacing marks of, or otherwise prepares, any adhesive stamp, with intent to use, or cause the same to be used, after it has already been used;

(2) **TRAFFICKING.**—Knowingly or willfully buys, sells, offers for sale, or gives away, any such washed or restored stamp to any person for use, or knowingly uses the same; or

(3) **POSSESSION.**—Knowingly and without lawful excuse (the burden of proof of such excuse being on the accused) has in possession any washed, restored, or altered stamp, which has been removed from any vellum, parchment, paper, instrument, writing, package, or article;

shall, upon conviction, be punished by a fine of not more than \$1,000, or by imprisonment

for not more than five years, or both, and any such reused, canceled, or counterfeit stamp and the vellum, parchment, document, paper, package, or article upon which it is placed or impressed shall be forfeited to the United States.

SEC. 2723. ORDER FORMS.

(a) GENERAL REQUIREMENTS.—It shall be unlawful for any person to transfer a firearm except in pursuance of a written order from the person seeking to obtain such article, on an application form issued in blank in duplicate for that purpose by the Commissioner. Such order shall identify the applicant by such means of identification as may be prescribed by regulations under this subchapter and Part VIII of subchapter A of chapter 27: *Provided*, That, if the applicant is an individual, such identification shall include fingerprints and a photograph thereof.

(b) CONTENTS OF ORDER FORM.—Every person so transferring a firearm shall set forth in each copy of such order the manufacturer's number or other mark identifying such firearm, and shall forward a copy of such order to the Commissioner. The original thereof with stamps affixed, shall be returned to the applicant.

(c) PRIOR TRANSFERS.—No person shall transfer a firearm which has previously been transferred on or after July 26, 1934, unless such person, in addition to complying with subsection (b), transfers therewith the stamp-affixed order provided for in this section for each such prior transfer, in compliance with such regulations as may be prescribed under this subchapter for proof of payment of all taxes on such firearms.

SEC. 3720. SEIZURE OF FORFEITABLE PROPERTY

(a) PROPERTY SUBJECT TO SEIZURE AND FORFEITURE.—

(1) MANUFACTURED ARTICLES.—All goods, wares, merchandise, articles, or objects, on which taxes are imposed, which shall be found in the possession, or custody, or within the control of any person, for the purpose of being sold or removed by him in fraud of the internal revenue laws, or with design to avoid payment of said taxes, may be seized, and shall be forfeited to the United States.

(2) RAW MATERIALS.—All raw materials found in the possession of any person intending to manufacture the same into articles of a kind subject to tax for the purpose of fraudulently selling such manufactured articles, or with design to evade the payment of said tax, may also be seized, and shall be forfeited as aforesaid.

(3) EQUIPMENT.—All tools, implements, instruments, and personal property whatsoever, in the place or building, or within any yard or inclosure where such articles or raw materials are found, may also be seized, and shall be forfeited as aforesaid.

(b) AUTHORITY TO MAKE SEIZURES.—

(1) COLLECTORS AND DEPUTY COLLECTORS.—Such property may be seized by the collector or deputy collector of the proper district, or by such other collector or deputy collector as may be specially authorized by the Commissioner for that purpose.

(2) OTHER INTERNAL REVENUE OFFICERS.—Any officer of internal revenue may be specially authorized by the Commissioner to seize any property which may by law be subject to seizure, and for that purpose such officer shall have all the power conferred by law upon collectors; and such special authority shall be limited in respect of time, place, and kind and class of property, as the Commissioner may specify.

[SEC. 3793 PENALTIES AND FORFEITURES.]

(b) FRAUDULENT RETURNS, AFFIDAVITS, AND CLAIMS.—

(1) ASSISTANCE IN PREPARATION OR PRESENTATION.—Any person who willfully aids or assists in, or procures, counsels, or advises the preparation or presentation under, or in connection with any matter arising under, the internal revenue laws, of a false or fraudulent return, affidavit, claim, or document, shall (whether or not such falsity or fraud is with the knowledge or consent of the

person authorized or required to present such return, affidavit, claim, or document) be guilty of a felony, and, upon conviction thereof, be fined not more than \$10,000, or imprisoned for not more than five years, or both, together with the costs of prosecution.

SEC. 3320. POSSESSION WITH INTENT TO SELL IN FRAUD OF LAW OR TO EVADE TAX.

(a) PENALTY.—Every person who shall have in his custody or possession any goods, wares, merchandise, articles, or objects on which taxes are imposed by law, for the purpose of selling the same in fraud of the internal revenue laws, or with design to avoid payment of the taxes imposed thereon, shall be liable to a penalty of \$500 or not less than double the amount of taxes fraudulently attempted to be evaded.

SEC. 3321. REMOVAL OR CONCEALMENT WITH INTENT TO DEFRAUD THE REVENUE.

(a) PENALTY.—Every person who removes, deposits, or conceals, or is concerned in removing, depositing, or concealing any goods or commodities for or in respect whereof any tax is or shall be imposed, with intent to defraud the United States of such tax or any part thereof, shall be liable to a fine of not more than \$5,000 or be imprisoned for not more than 3 years, or both.

(b) FORFEITURE.—

(1) GOODS.—Whenever any goods or commodities for or in respect whereof any tax is or shall be imposed, or any materials, utensils, or vessels proper or intended to be made use of for or in the making of such goods or commodities are removed, or are deposited or concealed in any place, with intent to defraud the United States of such tax, or any part thereof, all such goods and commodities, and all such materials, utensils, and vessels, respectively, shall be forfeited.

(2) PACKAGES.—In every such case all the casks, vessels, cases, or other packages whatsoever, containing, or which shall have contained, such goods or commodities, respectively, shall be forfeited.

(3) CONVEYANCES.—Every vessel, boat, cart, carriage, or other conveyance whatsoever, and all horses or other animals, and all things used in the removal or for the deposit or concealment thereof, respectively, shall be forfeited.

SEC. 3322. FORFEITURE OF PACKAGES CONTAINING FORFEITED GOODS.

In every case where any goods or commodities are forfeited under any internal revenue law, all casks, vessels, cases, or other packages whatsoever, containing, or which shall have contained such goods or commodities, respectively, shall be forfeited.

SEC. 1602. SEARCH WARRANTS.

The several judges of the district courts of the United States, and the United States commissioners, may, within their respective jurisdictions, issue a search warrant, authorizing any internal revenue officer to search any premises within the same, if such officer makes oath in writing that he has reason to believe, and does believe, that a fraud upon the revenue has been or is being committed upon or by the use of the said premises.

SEC. 2726. UNLAWFUL ACTS.

(a) POSSESSING FIREARMS UNLAWFULLY TRANSFERRED.—It shall be unlawful for any person to receive or possess any firearm which has at any time been transferred in violation of sections 2720, 2721 (b), 2722, 2723, 2727, and 2731 of this subchapter.

(b) REMOVING OR CHANGING IDENTIFICATION MARKS.—It shall be unlawful for anyone to obliterate, remove, change, or alter the number or other identification mark required by section 2725. Whenever on trial for a violation of this subsection the defendant is shown to have or to have had possession of any firearm upon which such number or mark shall have been obliterated, removed, changed, or altered, such possession shall be

deemed sufficient evidence to authorize conviction, unless the defendant explains such possession to the satisfaction of the jury.

(c) IMPORTING FIREARMS ILLEGALLY.—It shall be unlawful (1) fraudulently or knowingly to import or bring any firearm into the United States or any territory under its control or jurisdiction (including the Philippine Islands), in violation of the provisions of this subchapter and Part VIII of subchapter A of chapter 27; or (2) knowingly to assist in so doing; or (3) to receive, conceal, buy, sell, or in any manner facilitate the transportation, concealment, or sale of any such firearm after being imported or brought in, knowing the same to have been imported or brought in contrary to law. Whenever on trial for a violation of this section the defendant is shown to have or to have had possession of such firearm, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains such possession to the satisfaction of the jury.

SEC. 2730. FORFEITURES.

(a) LAWS APPLICABLE.—Any firearm which has at any time been transferred in violation of the provisions of this subchapter and Part VIII of subchapter A of chapter 27 shall be subject to seizure and forfeiture, and (except as provided in subsection (b)) all the provisions of internal-revenue laws relating to searches, seizures, and forfeiture of unstamped articles are extended to and made to apply to the articles taxed under this subchapter, and the persons to whom this subchapter and Part VIII of subchapter A of chapter 27 applies.

(b) DISPOSAL.—In the case of the forfeiture of any firearm by reason of a violation of this subchapter and Part VIII of subchapter A of chapter 27: No notice of public sale shall be required; no such firearm shall be sold at public sale; if such firearm is in the possession of any officer of the United States except the Secretary, such officer shall deliver the firearm to the Secretary; and the Secretary may order such firearm destroyed or may sell such firearm to any State, Territory, or possession (including the Philippine Islands), or political subdivision thereof, or the District of Columbia, or retain it for the use of the Treasury Department or transfer it without charge to any Executive department or independent establishment of the Government for use by it.

[SEC. 3261. REGISTRATION.]

(c) PRESUMPTION OF POSSESSION.—Whenever on trial for a violation of section 2726 (a) hereof the defendant is shown to have or to have had possession of such firearm at any time after September 24, 1934, without having registered as required by subsection (b), such possession shall create a presumption that such firearm came into the possession of the defendant subsequent to July 26, 1934, but this presumption shall not be conclusive.

SEC. 3263. UNLAWFUL ACTS IN CASE OF FAILURE TO REGISTER AND PAY SPECIAL TAX.

(a) IMPORTATION, MANUFACTURE OR DEALING IN FIREARMS.—It shall be unlawful for any person required to register under the provisions of section 3261 to import, manufacture, or deal in firearms without having registered and paid the tax imposed by section 3260.

(b) TRANSPORTATION IN INTERSTATE COMMERCE.—It shall be unlawful for any person who is required to register as provided in section 3261 (b) and who shall not have so registered, or any other person who has not in his possession a stamp-affixed order as provided in section 2723, to ship, carry, or deliver any firearm in interstate commerce.

ACT OF AUGUST 9, 1939 (53 Stat., 1291, 49 U. S. C., Supp. 781). (Seizure of Vessel, Vehicle, or Aircraft.)

* * * That (a) it shall be unlawful (1) to transport, carry, or convey any contraband article in, upon, or by means of any vessel, vehicle, or aircraft; (2) to conceal or possess any contraband article in or upon any vessel, vehicle, or aircraft, or upon the

person of anyone in or upon any vessel, vehicle, or aircraft; or (3) to use any vessel, vehicle, or aircraft to facilitate the transportation, carriage, conveyance, concealment, receipt, possession, purchase, sale, barter, exchange, or giving away of any contraband article.

(b) As used in this section, the term "contraband article" means—

(2) Any firearm, with respect to which there has been committed any violation of any provision of the National Firearms Act, as now or hereafter amended, or any regulation issued pursuant thereto;

SEC. 2. Any vessel, vehicle, or aircraft which has been or is being used in violation of any provision of section 1, or in, upon, or by means of which any violation of section 1 has taken or is taking place, shall be seized and forfeited:

SEC. 35. CRIMINAL CODE OF THE UNITED STATES, AS AMENDED BY THE ACT APPROVED APRIL 4, 1938 (52 STAT. 197, 18 U. S. C., AND SUP., 80, 83).

(A) Whoever shall make or cause to be made or present or cause to be presented, for payment or approval, to or by any person or officer in the civil, military, or naval service of the United States, or any department thereof, or any corporation in which the United States of America is a stockholder, any claim upon or against the Government of the United States; or any department or officer thereof, or any corporation in which the United States of America is a stockholder, knowing such claim to be false, fictitious, or fraudulent; or whoever shall knowingly and willfully falsify or conceal or cover up by any trick, scheme, or device a material fact, or make or cause to be made any false or fraudulent statements or representations, or make or use or cause to be made or used any false bill, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition, knowing the same to contain any fraudulent or fictitious statement or entry in any matter within the jurisdiction of any department or agency of the United States or of any corporation in which the United States of America is a stockholder; or whoever shall enter into any agreement, combination, or conspiracy to defraud the Government of the United States, or any department or officer thereof, or any corporation in which the United States of America is a stockholder, by obtaining or aiding to obtain the payment or allowance of any false or fraudulent claim; * * * shall be fined not more than \$10,000 or imprisoned not more than ten years, or both.

Authority for Regulations

SEC. 2732. REGULATIONS.

The Commissioner, with the approval of the Secretary, shall prescribe such rules and regulations as may be necessary for carrying the provisions of this subchapter and Part VIII of subchapter A of chapter 27 into effect.

§ 319.50 *Promulgation of regulations.* In pursuance of the provisions of law, the regulations in this part are hereby prescribed, and Regulations 88, approved August 17, 1934, as amended (Part 307, Title 26, Code of Federal Regulations), as made applicable to the Internal Revenue Code (53 Stat., Part 1) by Treasury Decision 4885, approved February 11, 1939 (Chapter I, note, Title 26, Code of Federal Regulations, 1939 Sup.), are, as of the date of approval hereof, hereby superseded.*

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: September 25, 1941.

HERBERT E. GASTON,
Acting Secretary of the Treasury.

[F. R. Doc. 41-7226; Filed, September 27, 1941;
11:03 a. m.]

TITLE 29—LABOR

CHAPTER IV—CHILDREN'S BUREAU

[Regulation No. 23]

PART 402—ACCEPTANCE OF STATE CERTIFICATES

By virtue of and pursuant to the authority conferred by section 3 (1) of the Fair Labor Standards Act of 1938 (Act of June 25, 1938, ch. 676, 52 Stat. 1060, U. S. Code, title 29, sec. 201), § 402.1, part 402, title 29 of the Codification of Federal Regulations is hereby amended for the purpose of extending until June 30, 1942 the designation of Puerto Rico as a State in which State age, employment or working certificates or permits shall have the same force and effect as Federal certificates of age under the Fair Labor Standards Act of 1938, so that the said section shall read as follows:

§ 402.1 *Designation of States.* Pursuant to the provisions of § 401.5,¹ I hereby designate the following States as States in which State age, employment, or working certificates or permits shall have the same force and effect as Federal certificates of age under the Fair Labor Standards Act of 1938:

Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

This designation shall be effective from July 1, 1941, until June 30, 1942, unless this regulation is amended or repealed by regulation hereafter made and published by the Chief of the Children's Bureau.

[SEAL] KATHARINE F. LENROOT,
Chief of the Children's Bureau.

[F. R. Doc. 41-7257; Filed, September 29, 1941;
12:09 p. m.]

TITLE 30—MINERAL RESOURCES

CHAPTER III—BITUMINOUS COAL DIVISION

[Docket No. A-1077]

PART 324—MINIMUM PRICE SCHEDULE DISTRICT NO. 4

MEMORANDUM OPINION AND ORDER GRANTING TEMPORARY RELIEF AND CONDITIONALLY PROVIDING FOR FINAL RELIEF IN THE MATTER OF THE PETITION OF CRESCENT VALLEY MINING CORPORATION, A CODE MEMBER IN DISTRICT NO. 4, FOR THE ESTABLISH-

¹ Section 5, Child Labor Regulation No. 1, "Certificates of Age," issued October 14, 1938, pursuant to the authority conferred by sections 3 (1) and 11 (b) of the Fair Labor Standards Act of 1938, published in 3 F.R. 2487; republished in 4 F.R. 1361.

MENT OF TEMPORARY AND PERMANENT MINIMUM PRICES FOR SHIPMENTS BY RAIL FROM MINE INDEX NO. 210, DISTRICT NO. 4, VIA BALTIMORE AND OHIO RAILROAD

The original petition in the above-entitled matter filed with this Division on September 24, 1941, prays for the issuance of temporary and final orders establishing minimum prices for rail shipments from Mine Index No. 210, District No. 4, via the Baltimore and Ohio Railroad.

In support of this petition, it is alleged: Petitioner purchased Mine Index No. 210 on or about July 1, 1941, in the belief that minimum prices had already been established for this mine for rail shipment via the Baltimore and Ohio Railroad, and accordingly proceeded to erect a tippie on the right of way of that Railroad. Only after it had entered into contracts with the Canadian National Railways and the International Nickel Company did the petitioner discover that the minimum prices previously established for rail shipments from Mine Index No. 210, in Docket No. A-937, were applicable for shipments via the Wheeling and Lake Erie Railroad only. Upon learning this fact, petitioner was disabled from filling the contracts in question under the effective minimum prices, as no tippie was available for shipment via the Wheeling and Lake Erie Railroad. In consequence, Mine Index No. 210 is presently shut down. Temporary relief is urgent because petitioner's contract with International Nickel Company calls for shipments via the Great Lakes, and the close of the lake navigation season is impending. Any further delay in starting the movement of coal on this contract will disable petitioner from securing cars from the mines to the water ports. In order to meet this contract, petitioner must, by October 1, 1941, be in a position to ship 1,000 tons per day, or 50,000 tons before close of the lake navigation season. Coal under contract with the Canadian National Railways is needed by the purchaser to fill out its stock piles. Petitioner is now in default on this contract.

Petitioner further alleges: The minimum prices now sought by petitioner are the same as those previously established for Mine Index No. 210 via the Wheeling and Lake Erie Railroad. Applicable freight rates from Mine Index No. 210 are the same whether the coal is shipped via the Baltimore and Ohio Railroad or the Wheeling and Lake Erie Railroad. It is impossible for the petitioner to erect a tippie on the Wheeling and Lake Erie Railroad in time to meet its obligations under its contracts with the International Nickel Company and the Canadian National Railways. Erection of a tippie on the Wheeling and Lake Erie Railroad is not presently contemplated.

In view of the foregoing circumstances, the Director is of the opinion that a reasonable showing of the necessity for the temporary relief requested has been made; that an adequate showing has been made of actual or impending injury in the event that temporary relief is not

granted; and that the granting of temporary relief will not unduly prejudice other interested parties pending final disposition of this proceeding.

Now, therefore, it is ordered, That temporary relief pending the final disposition of the petition herein be and the same is hereby granted as follows:

Commencing forthwith, Mine Index No. 210, of District No. 4, is included in Freight Origin Group 12, as defined in § 324.7 (*Alphabetical list of code members*) in the Schedule of Effective Minimum Prices for District No. 4, for All Shipments Except Truck, and supplements thereto, instead of in Freight Origin Group 18; and the price classifications and minimum prices heretofore established for Mine Index No. 210, in Docket No. A-937, for all shipments except truck, by Order of July 21, 1941, 6 F.R. 3913, 3914 and 3915, are applicable for shipments originating on the Baltimore and Ohio Railroad, from Crescent, Ohio; and the minimum prices heretofore established in Docket No. A-937 for the sale of railroad fuel to the Wheeling and Lake Erie Railroad are applicable for sale to the Baltimore and Ohio Railroad: *Provided, however*, That the price classifications and minimum prices heretofore established for Mine Index No. 210, in Docket No. A-937, for all shipments except truck, originating on the Wheeling and Lake Erie Railroad, and for the sale of railroad fuel to the Wheeling and Lake Erie Railroad, shall no longer be applicable, but shall be deemed to be superseded by the prices established herein.

The prices heretofore established for Mine Index No. 210 for truck shipments in Docket No. A-937, shall remain in full force and effect.

Notice is hereby given that applications to stay, terminate or modify the temporary relief granted herein may be filed pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this Order, unless it shall otherwise be ordered.

Dated: September 25, 1941.

[SEAL]

H. A. GRAY,
Director.

[F. R. Doc. 41-7238; Filed, September 29, 1941;
9:50 a. m.]

[Docket No. A-7]

PART 331—MINIMUM PRICE SCHEDULE, DISTRICT NO. 11

ORDER GRANTING PERMANENT RELIEF IN THE
MATTER OF THE PETITION OF DISTRICT
BOARD NO. 11 FOR RELIEF IN RESPECT TO
OFF-LINE RAILROAD FUEL PRICES FOR CER-
TAIN CODE MEMBERS IN DISTRICT 11, AND
RELATED MATTERS

A petition in this matter having been
filed with the Bituminous Coal Division
by District Board 11, pursuant to section

No. 190—3

4 II (d) of the Bituminous Coal Act of 1937, requesting that certain freight absorptions be permitted on shipments of coals from certain off-line mines in District 11 for use as railroad locomotive fuel;

By Order of the Director, dated February 28, 1941, 6 F.R. 1233, final relief following a hearing, having been granted to Bobolink Mine (Mine Index No. 11) and Saxton Mine (Mine Index No. 75), and the proceeding continued in so far as it related to request for revision of effective minimum prices for coals of the Enos Mine (Mine Index No. 36) of Enos Coal Mining Company, the Globe Mine (Mine Index No. 41) of Ayrshire Patoka Collieries Corporation, the 20th Century Mine (Mine Index No. 92) of 20th Century Coal Corporation, and the Winslow Mine (Mine Index No. 97) of Winslow Coal Corporation for shipment via the Algers, Winslow and Western Railway to the Southern Railway for use as locomotive fuel;

A further hearing upon the continued issues having been held on May 22, 1941, pursuant to Orders and notice, before D. C. McCurtain, a duly designated Examiner of the Division in a hearing room thereof in Washington, D. C., at which all interested parties were afforded an opportunity to be present, adduce evidence, cross-examine witnesses and otherwise be heard, and appearances being entered by Consumers' Counsel Division, District Board 11 and Sunlight Coal Company;

The parties to this proceeding having waived the preparation and filing of an Examiner's Report and the matter thereupon having been submitted to the undersigned;

The undersigned having made Findings of Fact, and Conclusions of Law and having rendered an Opinion, which are filed herewith;

Now, therefore, it is ordered, That commencing forthwith, the relief prayed for in the original petition be and it hereby is granted to the extent that § 331.10 (*Special prices: Railroad locomotive fuel*) in the Schedule of Effective Minimum Prices for District No. 11 For All Shipments Except Truck is hereby amended as follows:

Prices f. o. b. mines for shipment to railroads, as indicated, for locomotive fuel only

Mine index No.	Size dimensions	Name of railroad	Prices f. o. b. mine
36	Mine Run ¹	Southern.....	164
41	Mine Run ¹	Southern.....	164
92	Mine Run ¹	Southern.....	164
97	Mine Run ¹	Southern.....	164

¹ Sizes in Size Groups 1 to 8, inclusive, may be applied at the option of the code member, on orders for railroad locomotive fuel specifying Nut (3 x 5/16), Modified Mine Run, Mine Run, or Resultant Mine Run (6 x 0).

And it is further ordered, That the relief prayed in the original and intervening petitions and requested at the hearing, except as granted above or in

the Order of the Director dated February 28, 1941, is hereby denied.

Dated September 25, 1941.

[SEAL]

H. A. GRAY,
Director.

[F. R. Doc. 41-7237; Filed, September 29, 1941;
9:50 a. m.]

TITLE 32—NATIONAL DEFENSE

CHAPTER IX—OFFICE OF PRODUCTION MANAGEMENT

SUBCHAPTER B—PRIORITIES DIVISION

PART 980—RAYON YARN

Supplementary Order M-37-a to Conserve the Supply and Direct the Distribution of Rayon Yarn

Whereas, because of National Defense requirements drastic restrictions have been placed upon deliveries and processing of raw silk, and such restrictions have operated to create a shortage of rayon yarn; and

Whereas, the total output of the rayon yarn industry is at present insufficient to meet the total of defense needs and existing civilian demand, plus this new civilian demand caused by the substitution of rayon yarn for silk; and

Whereas, because of such shortage of rayon yarn, it is necessary and appropriate in the public interest and to promote the National Defense to allocate such rayon yarn in the manner and to the extent in this Order provided;

Now therefore, it is hereby ordered that:

§ 980.2 *Supplementary order M-37-a—*
(a) *Applicability of priorities regulation No. 1.*¹ All of the provisions and definitions of Priorities Regulation No. 1, issued by the Director of Priorities on August 27, 1941, shall be deemed a part of this Order, except insofar as they are inconsistent herewith.

(b) *Additional definitions.* For the purposes of this order

(1) "Rayon yarn" means continuous filament rayon yarn made by the viscose, cuprammonium, or acetate process.

(2) "Fine rayon yarn" means rayon yarn of 300 deniers or finer.

(3) "Reserved yarn" means fine rayon yarn set aside pursuant to the provisions of this Order.

(4) "Producer" means and includes any person who produces rayon yarn.

(5) "Manufacturer" means a manufacturer consuming silk or rayon yarn and includes a jobber or converter.

(6) "Basic monthly poundage" means a poundage in terms of 100 denier rayon yarn amounting to 3/4 of the monthly average number of pounds of raw silk consumed by the manufacturer during the first six months of the year 1941. If the manufacturer consumed thrown, rather than raw, silk, the poundage of thrown

¹ 6 F.R. 4489.

silk shall, for the purposes of this definition, be converted to the poundage of raw silk from which it was processed. In applying the above definition to a jobber, the poundage consumed shall refer to the poundage sold by such jobber.

(7) "The equivalent of the basic monthly poundage" means a poundage calculated as follows: Divide the basic monthly poundage by 100 and multiply the result by the denier desired, but in no event by more than 200.

(c) *Directions with respect to residual supply*—(1) *Viscose and cuprammonium yarn*. (i) On and after October 1, 1941, each producer of viscose or cuprammonium yarn shall, after providing for defense orders in accordance with the provisions of Priorities Regulation No. 1, each day set aside, to the extent that he possesses active spindles capable of producing fine viscose or cuprammonium yarn, an amount of such yarn equal to the production of 9 per cent of the total number of the active spindles producing viscose or cuprammonium yarn of any denier, excluding from such total the number of spindles the production from which is equivalent to that required for defense orders. The yarn thus set aside shall be selected in various denier sizes in the same proportion as the fine rayon yarn produced by the producer in September 1941. Nothing in the preceding sentence shall be deemed to prevent any producer from setting aside a greater proportion of the finer deniers. He shall also continue to set aside, to be distributed as specified by this Order, all viscose or cuprammonium yarn which has not been disposed of or specifically allocated by the Director of Priorities prior to the effective date of this Order, but which was originally set aside pursuant to the provisions of the program issued by the Office of Price Administration and Civilian Supply on August 2, 1941, as thereafter modified from time to time, or pursuant to the provisions of General Preference Order No. M-37.

(ii) The yarn so set aside shall be disposed of as follows:

(a) An amount of yarn equal to the production of 0.9 per cent of the total number of spindles referred to in paragraph (c) (1) (i) above, shall be reserved and held by the producer for disposition according to specific allocations to be issued by the Director of Priorities.

(b) An amount of yarn equal to the production of 0.45 per cent of the total number of spindles referred to in paragraph (c) (1) (i) above, shall, subject to the limitations of sub-paragraph (4) below, be made available, immediately and without further Government action, to manufacturers for manufacture of products other than hosiery, to replace their former consumption of silk.

(c) An amount of yarn equal to the production of 7.65 per cent of the total number of spindles referred to in paragraph (c) (1) (i) above, shall, subject to the limitations of sub-paragraph (4) below, be made available, immediately and without further Government action,

to manufacturers for manufacture of hosiery to replace their former consumption of silk.

(d) Yarn referred to in the last sentence of paragraph (c) (1) (i) shall, subject to the limitations of sub-paragraph (4) below, be disposed of in the proportions and for the purposes set forth in paragraph (c) (1) (ii) of General Preference Order No. M-37, issued September 12, 1941.

(2) *Acetate yarn*. (i) On and after October 1, 1941, each producer of acetate yarn shall, after providing for defense orders in accordance with the provisions of Priorities Regulation No. 1, each day set aside, to the extent that he possesses active spindles capable of producing fine acetate yarn, an amount of such yarn equal to the production of 5 per cent of the total number of the active spindles producing acetate yarn of any denier, excluding from such total the number of spindles the production from which is equivalent to that required for defense orders. The yarn thus set aside shall be selected in various denier sizes in the same proportion as the fine rayon yarn produced by the producer in September 1941. Nothing in the preceding sentence shall be deemed to prevent any producer from setting aside a greater proportion of the finer deniers. He shall also continue to set aside, to be distributed as specified by this Order, all acetate yarn which has not been disposed of or specifically allocated by the Director of Priorities prior to the effective date of this Order, but which was originally set aside pursuant to the provisions of the program issued by the Office of Price Administration and Civilian Supply on August 2, 1941, as thereafter modified from time to time, or pursuant to the provisions of General Preference Order No. M-37.

(ii) The yarn so set aside shall be disposed of as follows:

(a) An amount of yarn equal to the production of 0.5 per cent of the total number of spindles referred to in paragraph (c) (2) (i) above, shall be reserved and held by the producer for disposition according to specific allocations to be issued by the Director of Priorities.

(b) An amount of yarn equal to the production of 0.5 per cent of the total number of spindles referred to in paragraph (c) (2) (i) above, shall, subject to the limitations of sub-paragraph (4) below, be made available, immediately and without further Government action, to manufacturers, for manufacture of hosiery, to replace their former consumption of silk.

(c) An amount of yarn equal to the production of 4.0 per cent of the total number of spindles referred to in paragraph (c) (2) (i) above, shall, subject to the limitations of sub-paragraph (4) below, be made available, immediately and without further Government action, to manufacturers for manufacture of products other than hosiery, to replace their former consumption of silk.

(d) Yarn referred to in the last sentence of paragraph (c) (2) (i) shall, subject to the limitations of sub-paragraph (4) below, be disposed of in the proportions and for the purposes set forth in paragraph (c) (2) (ii) of General Preference Order No. M-37, issued September 12, 1941.

(3) Any allocation made by the Director of Priorities pursuant to paragraph (c) (1) (ii) (a) or (c) (2) (ii) (a) above will be evidenced by an order, the original and two signed duplicates of which will be forwarded to the purchaser applying for relief. The purchaser shall forward the two duplicates to the producer or jobber holding the yarn which has been allocated, together with the purchaser's order therefor. The purchaser's order shall be accepted except under circumstances in which Defense Orders may be rejected pursuant to § 944.2 of Priorities Regulation No. 1. If a purchaser's order is rejected, the provisions of § 944.3 of Priorities Regulation No. 1 shall apply as if such order were a Defense Order. If, for any reason, the producer or jobber is unwilling to sell and deliver the yarn pursuant to the allocation order, he shall immediately notify the Director of Priorities, by a letter addressed to the Silk Substitution Section, stating the reasons for his unwillingness.

(4) No producer or jobber shall deliver fine rayon yarn set aside pursuant to sub-paragraph (1) or (2) above (hereinafter called "reserved yarn") to or for the account of any manufacturer unless:

(i) Such delivery has been specifically authorized by the Director of Priorities; or

(ii) Such producer or jobber has first received from such manufacturer a certificate in a form to be prescribed by the Director of Priorities, accompanied by such duplicates or copies thereof as the Director of Priorities may prescribe: *Provided*, That delivery shall not be made in such latter case, if the producer or jobber knows or has reason to know that the yarn to be delivered is in the aggregate in excess of the equivalent of such manufacturer's basic monthly poundage, or, together with stocks on hand, will increase such manufacturer's inventory of reserved yarn in the aggregate to above such equivalent. The producer or jobber shall be entitled to rely upon any facts stated in such a certificate in the absence of actual knowledge or reason for knowledge to the contrary.

(5) In making sales or deliveries pursuant to paragraph (c) (1) (ii) (b) and (c) and (c) (2) (ii) (b) and (c) above, no producer or jobber shall discriminate among persons eligible to purchase such yarn in favor of former customers for rayon yarn.

(6) After providing for all deliveries under defense orders, and after setting aside the amounts of fine rayon yarn specified in sub-paragraphs (1) and (2) above, each producer may sell and deliver rayon yarn without limitation, subject

only to § 944.14 of Priorities Regulation No. 1.

(7) No manufacturer shall accept delivery of reserved yarn unless such delivery is authorized as provided in sub-paragraph (4) above.

(8) No manufacturer shall order, purchase, or receive from all sources for delivery in any one calendar month an amount of reserved yarn in excess of the equivalent of his basic monthly poundage.

(9) No manufacturer shall own, control, or otherwise hold as inventory at any time an amount of reserved yarn in excess of the equivalent of his basic monthly poundage. For the purpose of this provision, inventory shall include all reserved rayon yarn owned, controlled, or otherwise held by the manufacturer, up to the time that it is placed on the knitting machine, loom, or other fabricating machine.

(10) No reserved yarn shall be resold in yarn form by a manufacturer, except upon the specific authorization by the Director of Priorities. The exchanging of yarn by a manufacturer shall be deemed reselling. Notwithstanding the foregoing, a jobber may resell reserved yarn in yarn form, but with respect to such resale he shall, unless the Director of Priorities specifically authorizes otherwise, be subject to the restrictions of subparagraphs (4) and (5) above applicable to a producer, and resales shall be made for only the purposes for which such yarn was originally set aside by the producer.

(11) Any manufacturer who accepts an unauthorized delivery of reserved yarn, or who otherwise violates the provisions of this Order, or who makes a material and wilful misstatement in a certificate or in any other statement required herein, may be prohibited by the Director of Priorities from obtaining further deliveries of reserved yarn.

(12) All rayon yarn set aside pursuant to the provisions of the program issued by the Office of Price Administration and Civilian Supply on August 2, 1941, as thereafter modified from time to time, and all rayon yarn set aside pursuant to the provisions of General Preference Order No. M-37, which has not been disposed of or specifically allocated by the Director of Priorities prior to November 1, 1941, shall thereupon be immediately available for sale to any purchaser without restriction, subject only to § 944.14 of Priorities Regulation No. 1. All rayon yarn set aside from the production of any one month pursuant to the provisions of this Order which has not been disposed of or specifically allocated by the Director of Priorities prior to the end of the month succeeding such month, shall thereupon be immediately available for sale to any purchaser without restriction, subject only to § 944.14 of Priorities Regulation No. 1.

(d) *Doubtful cases.* Whenever there is reasonable doubt as to the eligibility of any person to receive reserved yarn hereunder, the matter should be referred for determination to the Director of Pri-

orities, by a letter addressed to the Silk Substitution Section, stating all pertinent facts.

(e) *Appeals for relief from hardship.* Any person affected by this Order, who considers that exceptional and unreasonable hardship has been imposed upon him thereby, may appeal to the Director of Priorities, by a letter or telegram, setting forth the pertinent facts, addressed to the Silk Substitution Section. In every case where any such appeal requests delivery of rayon yarn set aside for specific allocation by the Director of Priorities, it should be accompanied by a statement on a Form or Forms to be prescribed by the Director of Priorities, setting forth the information called for therein.

(f) *Reports and records.* (1) Each producer and jobber shall file with the Silk Substitution Section for forwarding to the Director of Priorities, at the time to be specified thereon, reports on Forms to be prescribed by the Director of Priorities, setting forth the information called for therein.

(2) All producers and jobbers operating under this Order shall keep and preserve such records as will clearly and adequately show their methods and rates of operation hereunder. Such information shall include a complete file of invoices covering the delivery of any and all yarn under this Order.

(3) Each producer and jobber shall promptly forward to an agency hereafter to be designated by the Director of Priorities one duplicate of every certificate furnished by a purchaser pursuant to paragraph (c) (4) (ii) hereof and one duplicate of every allocation order furnished by a purchaser pursuant to paragraph (c) (3), endorsed as follows: "Supplied by our order No. _____, filling in the number of such supply order; together with a copy of the producer's or jobber's letter accepting the purchaser's order. He shall also preserve and keep available for inspection by the Government, during reasonable business hours, the original or a signed duplicate of every such certificate.

(g) *Effective date.* This Order shall take effect upon October 1, 1941, and shall expire at midnight on December 31, 1941, unless sooner terminated by direction of the Director of Priorities. (P.D. Reg. 1, Aug. 27, 1941, 6 F.R. 4489; OPM Reg. 3, March 8, 1941, 6 F.R. 1596 as amended, Sept. 2, 1941; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a), Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session; sec. 9, Public No. 783, 76th Congress, Third Session)

Issued this 27th day of September, 1941.

DONALD M. NELSON,
Director of Priorities.

[F. R. Doc. 41-7223; Filed, September 27, 1941; 10:14 a. m.]

TITLE 46—SHIPPING

CHAPTER I—BUREAU OF MARINE INSPECTION AND NAVIGATION

SUBCHAPTER K—SEAMEN

[Order No. 152]

PART 138—RULES AND REGULATIONS FOR ISSUANCE OF CERTIFICATES AND CONTINUOUS DISCHARGE BOOKS

*An Order Reducing the Percentage of Qualified Able Seamen Required on Certain Vessels*¹

SEPTEMBER 27, 1941.

Pursuant to the Act of September 24, 1941 (Public Law 255, 77th Congress, 1st Session), I have caused an investigation to be made and I find that qualified able seamen as required by section 13 of the Act of March 4, 1915, as amended (46 U.S.C., Supp. 672), are not available in sufficient numbers to man the vessels subject to said section.

Therefore, it is ordered, That able seamen examined and rated able seamen under section 13 of the Act of March 4, 1915, as amended (46 U.S.C., Supp. 672), after having served on deck twelve months at sea or on the Great Lakes, may compose not more than one-half of the number of able seamen required by said section in the deck crew of such vessels.

This order shall be effective during the emergency declared by the President on May 27, 1941, to exist, unless sooner revoked or modified, but in no event shall this order be effective after June 30, 1943. (Act of Sept. 24, 1941; Public Law 255, 77th Congress, 1st session)

[SEAL] WAYNE C. TAYLOR,
Acting Secretary of Commerce.

[F. R. Doc. 41-7227; Filed, September 27, 1941; 11:53 a. m.]

TITLE 47—TELECOMMUNICATION

CHAPTER I—FEDERAL COMMUNICATIONS COMMISSION

[Order No. 76-A,² Amended, 9-25-41]

PART 12—RULES GOVERNING AMATEUR RADIO: STATIONS AND OPERATORS

The Commission having under consideration its Rules Governing Amateur Radio Stations and Operators, with particular reference to the provisions³ concerning renewals, and its Order No. 75;

It is ordered, That all amateur radio station and amateur radio operator licenses which by their terms have expired or will expire during the period July 1, 1940 to December 31, 1941, inclusive, and for which applications for renewal have not been granted or denied prior to the ef-

¹ Affects § 138.3 Able seamen.

² 6 F.R. 1317.

³ See § 12.26 Renewal of amateur operator license, and § 12.66 Renewal of amateur station license.

fective date hereof, be, and they are hereby, extended, in respect to each such license until such further action as the Commission may take upon application for renewal or otherwise, but in no event beyond December 31, 1941;

Provided, however, That this extension is granted only to such amateur licensees as have submitted or do submit a proper application for renewal in accordance with the Rules and Regulations of the Commission and have complied or do comply with the requirements of Commission Order No. 75.

Provided further, That this extension shall not apply to licensees whose licenses have been or, prior to December 31, 1941, may be revoked, suspended or designated for hearing.

This Order shall take effect on the 25th day of September, 1941.

By the Commission.

[SEAL]

T. J. SLOWIE,
Secretary.

[F. R. Doc. 41-7228; Filed, September 27, 1941;
11:59 a. m.]

Notices

WAR DEPARTMENT.

[Contract No. W 953 ORD 2334]

SUMMARY OF CONTRACT FOR SUPPLIES

CONTRACTOR: THE MIDVALE COMPANY

Contract for: * * * Tube Forgings for * * * Gun * * *

Amount: \$1,273,776.00.

Place: Watervliet Arsenal, Watervliet, New York.

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to procurement authorities shown below, the available balances of which are sufficient to cover the cost thereof: O. S. & S. A. 1942 (953) ORD 20265 P11-30 A 1005-2.

This contract, entered into this 8th day of August 1941.

Scope of this contract. The contractor shall furnish and deliver * * * Tube Forgings, * * * for * * * Gun * * * \$1,273,776.00 for the consideration stated above and in strict accordance with the specifications, schedules and drawings, all of which are made a part hereof.

Changes. Where the supplies to be furnished are to be specially manufactured in accordance with drawings and specifications, the contracting officer may at any time, by a written order, and without notice to the sureties, make changes in the drawings or specifications, except Federal Specifications. Changes as to shipment and packing of all supplies may also be made as above provided.

Delays—Damages. If the contractor refuses or fails to make deliveries of the materials or supplies within the time specified in Article 1, or any extension thereof, the Government may by written

notice terminate the right of the contractor to proceed with deliveries or such part or parts thereof as to which there has been delay.

Payments. The contractor shall be paid, upon the submission of properly certified invoices or vouchers, the prices stipulated herein for articles delivered and accepted or services rendered, less deductions, if any, as herein provided. Unless otherwise specified, payments will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the contractor, payments for accepted partial deliveries shall be made whenever such payments would equal or exceed either \$1,000 or 50 percent of the total amount of the contract.

FRANK W. BULLOCK,
Lieut. Col., Signal Corps.,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7214; Filed, September 26, 1941;
2:14 p. m.]

[Contract No. W-359 eng-3675]

SUMMARY OF COST-PLUS-A-FIXED-FEE CONSTRUCTION CONTRACT

CONTRACTORS: CAGE BROTHERS AND F. M. REEVES & SONS, INC., JOINT CONTRACTORS AND COADVENTURERS OF AUSTIN, TEXAS

Fixed-fee: \$84,141.00.

Contract for: construction of an Advanced Twin Engine and Bombardier School, including the necessary temporary buildings, temporary structures, utilities, runways, fences, and appurtenances thereto.

Place: Vicinity of Midland, Texas.

Estimated construction cost exclusive of fee: \$3,236,200.00.

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to the following procurement authorities, the available balances of which are sufficient to cover the cost of the same: Eng. 1243 P 99 A-0540-N Eng 1177 P 99 A-0540-12.

This Contract,¹ entered into this 9th day of July 1941.

ARTICLE I. Statement of work. The Contractor shall, in the shortest possible time, furnish the labor, materials, tools, machinery, equipment, facilities, supplies not furnished by the Government, and services, and do all things necessary for the completion of the following work: Construction of Advanced Twin Engine and Bombardier School near Midland, Texas.

It is estimated that the construction cost of the work covered by this contract will be three million two hundred thirty-six thousand two hundred dollars (\$3,236,200.00) exclusive of the Contractor's fee.

In consideration for his undertaking under this contract the Contractor shall receive the following:

¹ Approved by the Under Secretary of War, August 11, 1941.

(a) Reimbursement for expenditures as provided in Article II.

(b) Rental for Contractor's equipment as provided in Article II.

(c) A fixed fee in the amount of eighty-four thousand one hundred forty-one dollars (\$84,141.00) which shall constitute complete compensation for the Contractor's services, including profit and all general overhead expenses.

The Contracting Officer may, at any time, by a written order and without notice to the sureties, make changes in or additions to the drawings and specifications, issue additional instructions, require additional work, or direct the omission of work covered by the contract.

The title to all work, completed or in the course of construction, shall be in the Government. Likewise, upon delivery at the site of the work or at an approved storage site and upon inspection and acceptance in writing by the Contracting Officer, title to all materials, tools, machinery, equipment and supplies, for which the Contractor shall be entitled to be reimbursed under Article II, shall vest in the Government.

ART. III. Payments—Reimbursement for cost. The Government will currently reimburse the Contractor for expenditures made in accordance with article II upon certification to and verification by the Contracting Officer of the original signed pay rolls for labor, the original paid invoices for materials, or other original papers. Generally, reimbursement will be made weekly but may be made at more frequent intervals if the conditions so warrant.

Rental for contractor's equipment. Rental as provided in article II for such construction plant or parts thereof as the Contractor may own and furnish shall be paid monthly upon presentation of proper vouchers.

Payment of the fixed-fee. The fixed-fee prescribed in article I shall be compensation in full for the services of the Contractor, including profit and all general overhead expenses: Ninety percent (90%) of said fixed-fee shall be paid as it accrues, in monthly installments based upon the percentage of the completion of the work as determined from estimates made and approved by the Contracting Officer.

Final payment. Upon completion of the work and its final acceptance in writing by the Contracting Officer, the Government shall pay to the Contractor the unpaid balance of the cost of the work determined under Article II hereof, and of the fee, less any sum that may be necessary to settle any unsettled claims for labor or material, or any claim the Government may have against the Contractor.

ART. VI. Termination of contract by Government. Should the Contractor at any time refuse, neglect, or fail to prosecute the work with promptness and diligence or default in the performance of any of the agreements herein contained, or should conditions arise which

make it advisable or necessary in the interest of the Government to cease work under this contract, the Government may terminate this contract by a notice in writing from the Contracting Officer to the Contractor.

This contract is authorized by the following laws: section 1 (a) of the Act of July 2, 1940 (Public No. 703, 76th Congress) as amended by section 9 of the Act approved June 30, 1941 (Public No. 139, 77th Congress).

FRANK W. BULLOCK,
Lieut. Col., Signal Corps,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7215; Filed, September 26, 1941;
2:14 p. m.]

[Contract No. W 669 qm-12792; O. I. No. 468]

SUMMARY OF CONTRACT FOR SUPPLIES

CONTRACTOR: AMERICAN BLEACHED GOODS COMPANY, INC., 40 WORTH STREET, NEW YORK CITY

Contract for: Textiles.

Amount: \$1,577,732.50.

Place: Philadelphia Quartermaster Depot, Philadelphia, Pa.

This contract, entered into this fourth day of August 1941.

Scope of this contract. The contractor shall furnish and deliver * * * Textiles for the consideration stated totaling one million, five hundred seventy-seven thousand, seven hundred thirty-two dollars and fifty cents (\$1,577,732.50) in strict accordance with the specifications, schedules and drawings, all of which are made a part hereof.

Payments. The contractor shall be paid, upon the submission of properly certified invoices or vouchers, the prices stipulated herein for articles delivered and accepted or services rendered, less deductions, if any, as herein provided. Unless otherwise specified, payments will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the contractor, payments for accepted partial deliveries shall be made whenever such payments would equal or exceed either \$1,000 or 50 percent of the total amount of the contract.

Delays—Damages. If the contractor refuses or fails to make delivery of the acceptable material or supplies within the time or times specified in Article 1, or any extension or extensions thereof, the actual damage to the Government for the delay will be impossible to determine, and in lieu thereof the contractor shall pay to the Government as fixed, agreed, and liquidated damages for each calendar day of delay in the delivery of any articles, the amount as set forth in the specifications or accompanying papers, and the contractor and his sureties shall be liable for the amount thereof.

Liquidated damages. Under the terms and conditions stipulated in Article 17 of this contract, the contractor shall pay to the Government, as liquidated dam-

ages, for each calendar day of delay in the delivery of any article, a sum equal to * * * percentum of the price of such article for each day's delay after the time specified for delivery.

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to procurement authority QM 323 P2-0240 A 0515-2 the available balance of which is sufficient to cover cost of same.

This contract authorized by Procurement Directives Nos. P-C-13 (42), P-C-16 (42), P-C-17 (42) and P-C-18 (42).

FRANK W. BULLOCK,
Lieut. Col. Signal Corps,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7216; Filed, September 26, 1941;
2:14 p. m.]

[Contract No. W 978 eng 2688]

SUMMARY OF CONTRACT FOR SUPPLIES

CONTRACTOR: GENERAL AMERICAN TRANSPORTATION CORPORATION, 153 SOUTH LASALLE STREET, CHICAGO, ILL.

Contract for: * * * Cars, gasoline, tank Amount \$1,287,000.00.

Place: Office, Chief of Engineers, 2104 War Department Bldg., Washington, D. C.

This contract, entered into this first day of July 1941.

Scope of this contract. The contractor shall furnish and deliver * * * Cars, gasoline, tank * * * for the consideration stated \$1,287,000.00 in strict accordance with the specifications, schedules and drawings, all of which are made a part hereof.

Changes. Where the supplies to be furnished are to be specially manufactured in accordance with drawings and specifications, the contracting officer may at any time, by a written order, and without notice to the sureties, make changes in the drawings or specifications, except Federal Specifications. Changes as to shipment and packing of all supplies may also be made as above provided.

Delays—Damages. If the contractor refuses or fails to make deliveries of the materials or supplies within the time specified in Article 1, or any extension thereof, the Government may by written notice terminate the right of the contractor to proceed with deliveries or such part or parts thereof as to which there has been delay.

Payments. The contractor shall be paid, upon the submission of properly certified invoices or vouchers, the prices stipulated herein for articles delivered and accepted or services rendered, less deductions, if any, as herein provided. Unless otherwise specified, payments will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the contractor, payments for accepted partial

deliveries shall be made whenever such payments would equal or exceed either \$1,000 or 50 percent of the total amount of the contract.

FRANK W. BULLOCK,
Lieut. Col., Signal Corps,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7230; Filed, September 29, 1941;
9:53 a. m.]

[Contract No. W 953 ORD 1050]

SUMMARY OF CONTRACT AND SUPPLEMENTAL AGREEMENT FOR SUPPLIES

CONTRACTOR: THE WHELAND COMPANY
CHATTANOOGA, TENN.

Contract for: * * * Guns, * * *, with one extra Tube for each Gun.

Amount: \$2,282,800.00.

Place: Watervliet Arsenal, Watervliet, New York.

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to the Procurement Authority indicated below either in cash or under a contract authorization contained in the Military Appropriation Act for the fiscal year 1941, the available balances of which are sufficient to cover cost of material covered by this contract: ORD 7074 P11-3030 A 1005-01, ORD 7074 P22-3030 A (1205).110-01, ORD 7074 P22-3030 A (1205).114-1.

This contract, entered into this 23d day of September 1940.

Scope of this contract. The contractor shall furnish and deliver * * * Guns, * * *, with one (1) extra tube for each Gun for the consideration stated \$2,282,800.00 in strict accordance with the specifications, schedules and drawings, all of which are made a part hereof.

Changes. Where the supplies to be furnished are to be specially manufactured in accordance with drawings and specifications, the contracting officer may at any time, by a written order, and without notice to the sureties, make changes in the drawings or specifications, except Federal Specifications. Changes as to shipment and packing of all supplies may also be made as above provided.

Payments. The contractor shall be paid, upon the submission of properly certified invoices or vouchers, the prices stipulated herein for articles delivered and accepted or services rendered, less deductions, if any, as herein provided. Unless otherwise specified, payments will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the contractor, payments for accepted partial deliveries shall be made whenever such payments would equal or exceed either \$1,000 or 50 percent of the total amount of the contract.

¹ Approved by the Under Secretary of War January 8, 1941.

Delays—Liquidated damages. If the contractor refuses or fails to make delivery of the materials or supplies within the time specified in Article 1, or any extension thereof, the actual damage to the Government for the delay will be impossible to determine, and in lieu thereof the contractor shall pay to the Government, as fixed, agreed, and liquidated damages for each calendar day of delay in making delivery, the amount as set forth in the specifications or accompanying papers, and the contractor and his sureties shall be liable for the amount thereof.

The contractor will obtain and install at the expense of the United States the machines, and equipment listed in Article 26 of this contract, the actual cost of which shall not exceed \$130,000.00, including the cost of any payment bonds, required.

Title of all property which shall be purchased by the contractor on behalf of the Government together with all property furnished by the Government to the contractor in connection with this contract shall vest in the Government.

Payment Bond. A Payment Bond in the sum of 40% of the contract price of the Guns and Extra Tubes, and of the cost of equipment is included in this contract.

Payment. * * * percent of the contract price will be paid after provisional acceptance of each gun and extra tube; balance, after final acceptance.

Supplemental Agreement

Supplemental agreement number 1 to Contract No. W 953 ORD 1050, dated September 23, 1940.

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to the Procurement Authorities shown below, the available balances of which are sufficient to cover the cost thereof. O.S. & S.A. 1940-41 (953) ORD 7074 P11-3030 A 1005-01.

This supplemental agreement,¹ entered into this 30th day of June 1941.

The parties hereto do mutually agree that the said Contract W 953 ORD 1050 shall be and it is hereby modified in the following particulars:

ARTICLE 1. The actual cost of the machines and equipment to be procured under the terms of Article 25 of the original contract is increased by \$10,000.00 or from a total of not to exceed \$130,000.00 to a total of not to exceed \$140,000.00.

ART. 2. An additional Payment Bond in the sum of 40% of the amount of the increase is required and is attached hereto.

FRANK W. BULLOCK,
Lieut. Col., Signal Corps,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7231; Filed September 29, 1941;
9:55 a. m.]

¹ Approved by the Chief of Ordnance August 7, 1941.

[Contract No. W 535 ac-152]

SUMMARY OF CONTRACT FOR SUPPLIES

CONTRACTOR: VEGA AIRPLANE COMPANY,
BURBANK, CALIF.

Contract for: * * * Airplanes and Spare Parts Therefor.

Amount: \$26,051,760.00.

Place: Materiel Division, Air Corps, U. S. Army, Wright Field, Dayton, Ohio.

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to Procurement Authority AC 299 P 111-30 A 0021-13, the available balance of which is sufficient to cover cost of same.

This contract,¹ entered into this 31st day of July 1941.

Scope of this contract. The contractor shall furnish and deliver * * * Airplanes and spare parts therefor for the consideration stated Not to exceed twenty six million fifty one thousand seven hundred sixty dollars (\$26,051,760.00) in strict accordance with the specifications, schedules and drawings, all of which are made a part hereof.

Changes. Where the supplies to be furnished are to be specially manufactured in accordance with drawings and specifications, the contracting officer may at any time, by a written order, and without notice to the sureties, make changes in the drawings or specifications, except Federal Specifications. Changes as to shipment and packing of all supplies may also be made as above provided.

Delays—Damages. If the contractor refuses or fails to make deliveries of the materials or supplies within the time specified in Article 1, or any extension thereof, the Government may by written notice terminate the right of the contractor to proceed with deliveries or such part or parts thereof as to which there has been delay.

Payments. The contractor shall be paid, upon the submission of properly certified invoices or vouchers, the prices stipulated herein for articles delivered and accepted or services rendered, less deductions, if any, as herein provided. Unless otherwise specified, payments will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the contractor, payments for accepted partial deliveries shall be made whenever such payments would equal or exceed either \$1,000 or 50 percent of the total amount of the contract.

Partial payments will be made as the work progresses at the end of each calendar month or as soon thereafter as practicable on authenticated statements of expenditures of the Contractor approved by the Contracting Officer.

Advance payments. Advance payments may be made from time to time for the supplies called for, when the

¹ Approved by the Under Secretary of War, August 13, 1941.

Secretary of War deems such action necessary in the interest of the National Defense.

Title to property where partial payments are made. The title to all property upon which any partial payment is made prior to the completion of this contract, shall vest in the Government.

Fire insurance. The Contractor agrees to insure against fire all property in its possession upon which a partial payment is about to be made, such insurance to be in a sum at least equal to the amount of such payment plus all other partial payments, if any, theretofore made thereon, and further agrees to keep such property so insured, free of cost to the Government, until the same is delivered to the Government.

Termination when contractor not in default. If, in the opinion of the contracting officer upon the approval of the Secretary of War, the best interests of the Government so require, this contract may be terminated by the Government, even though the contractor be not in default, by a notice in writing relative thereto from the contracting officer to the contractor.

Price adjustment. The contract prices stated in this contract for airplanes and spare parts are subject to adjustments for changes in labor and material costs.

General. It is expressly agreed that quotas for labor will not be altered on account of delays in the completion of the airplanes and spare parts.

This contract authorized under the provisions of Section 1 (a), Act of July 2, 1940 and Section 9, Act of June 30, 1941.

FRANK W. BULLOCK,
Lieut. Col., Signal Corps,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7232; Filed, September 29, 1941;
9:56 a. m.]

[Contract No. W 535 ac-20259; 5308]

SUMMARY OF CONTRACT FOR SUPPLIES

CONTRACTOR: THE GLENN L. MARTIN COMPANY,
BALTIMORE, MD.

Contract for: Engineering Services and Data Amount \$1,183,075.38.

Place: Baltimore, Maryland.

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to Procurement Authority AC 34 P 12-30 A 0705-12, the available balance of which is sufficient to cover cost of same.

This contract,¹ entered into this 27th day of June 1941.

Scope of this contract. The contractor shall furnish and deliver engineering services and data for the consideration stated \$1,183,075.38 in strict accordance with the specifications, schedules and drawings, all of which are made a part hereof.

¹ Approved by the Under Secretary of War, June 28, 1941.

Changes. Where the supplies to be furnished are to be specially manufactured in accordance with drawings and specifications, the contracting officer may at any time, by a written order, and without notice to the sureties, make changes in the drawings or specifications, except Federal Specifications. Changes as to shipment and packing of all supplies may also be made as above provided.

Delays—Damages. If the contractor refuses or fails to make deliveries of the materials or supplies within the time specified in Article 1, or any extension thereof, the Government may by written notice terminate the right of the contractor to proceed with deliveries or such part or parts thereof as to which there has been delay.

Payments. The contractor shall be paid, upon the submission of properly certified invoices or vouchers, the prices stipulated herein for articles delivered and accepted or services rendered, less deductions, if any, as herein provided. Unless otherwise specified, payments will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the contractor, payments for accepted partial deliveries shall be made whenever such payments would equal or exceed either \$1,000 or 50 percent of the total amount of the contract.

Consideration. For preparing and delivering the Engineering Data and for furnishing the Engineering Services the Government shall pay Contractor the sum of one million, one hundred eighty-three thousand, seventy-five and thirty-eight one hundredths dollars (\$1,183,075.38). Said sum shall be payable in monthly installments. Upon completion of such work, any unpaid balance of the fee, including the additions thereto shall be paid to Contractor.

This contract authorized under the provisions of Section 1 (a) Act of July 2, 1940.

FRANK W. BULLOCK,
Lieut. Col., Signal Corps,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7233; Filed, September 29, 1941;
9:56 a. m.]

[Serial No. 4810; 7-22-41]

SUMMARY OF CHANGE ORDER ¹ TO CONTRACT FOR SUPPLIES

CONTRACTOR: CURTISS-WRIGHT CORPORATION,
AIRPLANE DIVISION, ST. LOUIS PLANT,
ROBERTSON, MISSOURI

Change No. 1 to Contract No. W 535
ac-19174, dated May 16, 1941, published
FEDERAL REGISTER July 22, 1941.

Subject: Additional Airplanes and
Spare Parts.

Affecting: Contract W 535 ac-19174.

¹ Approved by the Under Secretary of War
August 13, 1941.

The Government hereby elects to exercise its right and option contained in Article 44 of Contract W 535 ac-19174 to increase the number of airplanes and spare parts to be furnished under the terms of Article 1 of said contract and it is mutually understood and agreed by the parties hereto that so many of the provisions of the contract as are affected by said increases are changed as set forth hereinbelow:

(a) The lot quantity of Airplanes,
* * * called for under the terms of
Article 1 of Contract W 535 ac-19174, is
hereby increased from * * * to
* * *.

As a result of exercising the foregoing
option, the contract consideration is
hereby increased as follows:

Total estimated cost for * * * additional air- planes.....	\$24,143,160.00
Fixed fee cost.....	1,448,589.60

(b) The lot quantity of spare parts
called for under the terms of Article 1
of Contract W 535 ac-19174, is hereby
increased to a total not in excess
of * * *.

As a result of exercising the foregoing
option, the contract consideration is
hereby increased as follows:

Total estimated cost for * * * additional air- planes.....	\$2,414,316.00
Fixed fee cost.....	144,858.96

Total estimated cost to the contractor of the additional airplanes and spare parts called for under the terms of this change order.....	26,557,476.00
Total estimated fixed fee.....	1,593,448.56
Total estimated additional cost and fixed fee.....	28,150,924.56

Option to change to a fixed price.
After the Contractor has manufactured
and delivered * * * airplanes orig-
inally called for under the terms of
Contract W 535 ac-19174, or at such other
time as may be mutually agreed upon by
the parties hereto, the parties hereto
shall, at the written request of either
party given to the other, enter into nego-
tiations to determine whether or not it
is possible to reach an agreement, on the
basis of the experience then available or
on the basis of other pertinent knowl-
edge or information, as to a definite fixed
price to be paid by the Government to
the Contractor for each of the airplanes
and spare parts called for under the
terms of said contract, as amended, in
lieu of the cost plus a fixed fee originally
provided for under the terms of the con-
tract. In the event that such an agree-
ment be reached and reduced to writing,
it shall provide that the fixed price per
unit for each of the airplanes and spare
parts called for shall apply, not only to
units thereafter to be delivered under
the terms of the contract as amended by
this Change Order, but shall likewise ap-
ply to units theretofore delivered, for
which proper adjustment shall be made.

The supplies and services to be obtained
by this instrument are authorized by,

are for the purpose set forth in and are
chargeable to Procurement Authorities:

AC 32 P 12-30 A 0705-2.....	\$25,591,749.60
AC 18 P 82-30 A 0705-2.....	2,559,174.96

Total debit (estimated).... 28,150,924.56
the available balances of which are suf-
ficient to cover cost of same.

FRANK W. BULLOCK,
Lieut. Col., Signal Corps,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7234; Filed September 29, 1941;
9:56 a. m.]

[Change Order A; Contract W 953 ORD 11] SUMMARY OF CHANGE ORDER TO CONTRACT FOR SUPPLIES

CONTRACTOR: OLDS MOTOR WORKS, GENERAL
MOTORS CORPORATION, LANSING, MICHIGAN

AUGUST 21, 1941.

Change Order "A" to Contract W 953
ORD 11, published in the FEDERAL REG-
ISTER August 12, 1941.

In accordance with the option con-
tained in Article 1A of Contract W 953
ORD 11, the number of guns, auto-
matic, * * *, to be furnished in
accordance with the terms and condi-
tions of Contract W 953 ORD 11 is
hereby increased by * * * Guns.
The total amount to be paid for Guns
under this contract is thereby increased
by \$2,695,450.00, or to a total of \$11,920,-
450.00. The total to be expended by the
contractor for Government owned facili-
ties, viz, \$3,750,000.00 is not changed by
reason of this Change Order "A" to the
contract.

Except as herein provided, the terms
and conditions of said Contract W 953
ORD 11 shall remain in full force and
effect.

FRANK W. BULLOCK,
Lieut. Col., Signal Corps,
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7235; Filed, September 29, 1941;
9:57 a. m.]

[Contract No. W-1096 eng-7645]

SUMMARY OF COST-PLUS-A-FIXED-FEE CONSTRUCTION CONTRACT

CONTRACTORS: NELSON BROTHERS AND L. W.
EATON, BATON ROUGE, LOUISIANA

Fixed-fee: \$30,000.00.

Contract for: constructing an airfield
and housing facilities; including grading,
drainage, paving of runways, taxiways
and apron, fencing, the construction of
buildings, utilities and appurtenances
thereto.

Place: De Ridder Airport, De Ridder,
Louisiana.

Estimated cost of project: \$1,476,673.00.

The supplies and services to be obtained
by this instrument are authorized by, are

¹ 6 F.R. 4014.

for the purpose set forth in, and are chargeable to the following procurement authorities, the available balances of which are sufficient to cover the cost of the same: Eng-927 P 99 A-0540.068-N.

This contract,¹ entered into this 21st day of June 1941.

ARTICLE I. Statement of work. The Contractor shall, in the shortest possible time, furnish the labor, materials, tools, machinery equipment, facilities, supplies not furnished by the Government, and services, and do all things necessary for the completion of the following work: Construction of an airfield and housing facilities consisting of grading, drainage, paving of runways, taxi-strips, and parking apron, fencing and the necessary utilities at De Ridder Airport, De Ridder, La.

It is estimated that the total cost of the construction work covered by this contract will be approximately one million one hundred sixty thousand one hundred seventy three dollars (\$1,160,173.00) exclusive of the Contractor's fee.

In consideration for his undertaking under this contract the Contractor shall receive the following:

(a) Reimbursement for expenditures as provided in Article II.

(b) Rental for Contractor's equipment as provided in Article II.

(c) A fixed fee in the amount of thirty thousand dollars (\$30,000.00) which shall constitute complete compensation for the Contractor's services, including profit and all general overhead expenses.

The Contracting Officer may, at any time, by a written order and without notice to the sureties, make changes in or additions to the drawings and specifications, issue additional instructions, require additional work, or direct the omission of work covered by the contract.

The title to all work, completed or in the course of construction, shall be in the Government. Likewise, upon delivery at the site of the work or at an approved storage site and upon inspection and acceptance in writing by the Contracting Officer, title to all materials, tools, machinery equipment and supplies, for which the Contractor shall be entitled to be reimbursed under article II, shall vest in the Government.

ART. III. Payments—Reimbursement for cost. The Government will currently reimburse the Contractor for expenditures made in accordance with article II upon certification to and verification by the Contracting Officer of the original signed pay rolls for labor, the original paid invoices for materials, or other original papers. Generally, reimbursement will be made weekly but may be made at more frequent intervals if the conditions so warrant.

Rental for contractor's equipment. Rental as provided in article II for such construction plant or parts thereof as the Contractor may own and furnish

shall be paid monthly upon presentation of proper vouchers.

Payment of the fixed-fee. The fixed-fee prescribed in article I shall be compensation in full for the services of the Contractor, including profit and all general overhead expenses. Ninety percent (90%) of said fixed-fee shall be paid as it accrues, in monthly installments based upon the percentage of the completion of the work as determined from estimates made and approved by the Contracting Officer. Upon completion of the work and its final acceptance, any unpaid balance of the fee shall be paid to the Contractor.

Final payment. Upon completion of the work and its final acceptance in writing by the Contracting Officer, the Government shall pay to the Contractor the unpaid balance of the cost of the work determined under Article II hereof, and of the fee, less any sum that may be necessary to settle any unsettled claims for labor or material, or any claim the Government may have against the Contractor.

ART. VI. Termination of contract by Government. Should the Contractor at any time refuse, neglect, or fail to prosecute the work with promptness and diligence, or default in the performance of any of the agreements herein contained, or should conditions arise which make it advisable or necessary in the interest of the interest of the Government to cease work under this contract, the Government may terminate this contract by a notice in writing from the Contracting Officer to the Contractor.

This contract is authorized by the following law: Public No. 703, 76th Congress, approved July 2, 1940.

FRANK W. BULLOCK,
Lieut. Col., Signal Corps.
Assistant to the Director of
Purchases and Contracts.

[F. R. Doc. 41-7236; Filed, September 29, 1941;
9:57 a. m.]

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. A-949]

PETITION OF DISTRICT BOARD NO. 13 REQUESTING THAT THE PHRASE "PRICES F. O. B. MINES FOR SHIPMENT BY RAILROAD, APPLICABLE TO ALL COAL SOLD FOR STEAMSHIP VESSEL FUEL" APPEARING ON PAGE 38 OF THE SCHEDULE OF EFFECTIVE MINIMUM PRICES FOR DISTRICT NO. 13, FOR ALL SHIPMENTS EXCEPT TRUCK, BE REVISED TO READ "PRICES F. O. B. MINES FOR SHIPMENT BY RAILROAD FOR STEAMSHIP VESSEL FUEL—APPLICABLE ONLY WHEN DELIVERED TO TIPPLE FOR SEA-GOING VESSELS AND NOT APPLICABLE TO RIVER OR HARBOR VESSELS OR FERRIES"

NOTICE OF AND ORDER FOR HEARING

A petition, pursuant to the Bituminous Coal Act of 1937, having been duly

filed with this Division by the above-named party;

It is ordered, That a hearing in the above-entitled matter under the applicable provisions of said Act and the rules of the Division be held on October 30, 1941, at 10 o'clock in the forenoon of that day, at a hearing room of the Bituminous Coal Division, 734 Fifteenth Street NW., Washington, D. C. On such day the Chief of the Records Section in room 502 will advise as to the room where such hearing will be held.

It is further ordered, That Travis Williams or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officers so designated to preside at such hearing are hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, subpoena witnesses, compel their attendance, take evidence, require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, to continue said hearing from time to time, and to prepare and submit to the Director proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to all parties herein and to persons or entities having an interest in these proceedings and eligible to become a party herein. Any person desiring to be admitted as a party to this proceeding may file a petition of intervention in accordance with the rules and regulations of the Bituminous Coal Division for proceedings instituted pursuant to section 4 II (d) of the Act, setting forth the facts on the basis of which the relief in the original petition is supported or opposed or on the basis of which other relief is sought. Such petitions of intervention shall be filed with the Bituminous Coal Division on or before October 25, 1941.

All persons are hereby notified that the hearing in the above-entitled matter and any orders entered therein, may concern, in addition to the matters specifically alleged in the petition, other matters necessarily incidental and related thereto, which may be raised by amendment to the petition, petitions of interveners or otherwise, or which may be necessary corollaries to the relief, if any, granted on the basis of this petition.

The matter concerned herewith is in regard to the petition of District Board No. 13 requesting that the phrase "Prices f. o. b. mines for shipment by railroad, applicable to all coal sold for steamship vessel fuel" appearing on page 38 of the Schedule of Effective Minimum Prices for District No. 13, for All Shipments Except Truck, be revised to read "Prices f. o. b. mines for shipment by railroad for steamship vessel fuel—applicable only when delivered to tipple for sea-

¹ Approved by the Under Secretary of War, July 15, 1941.

going vessels and not applicable to river or harbor vessels or ferries."¹
 Dated: September 27, 1941.

[SEAL]

H. A. GRAY,
 Director.

[F. R. Doc. 41-7239; Filed, September 29, 1941;
 9:51 a. m.]

[Docket No. 1738-FD]

IN THE MATTER OF CARTERVILLE COAL COMPANY, PARTNERSHIP, DEFENDANT
 ORDER POSTPONING HEARING AND DESIGNATING TRIAL EXAMINER

The above entitled matter having been heretofore scheduled for hearing on October 4, 1941, to a place and at a hearing room to be designated by an appropriate Order of the Director; and

It appearing to the Acting Director that it is advisable to postpone said hearing;

Now, therefore, it is ordered, That the hearing in the above entitled matter is hereby postponed from 10 a. m. on October 4, 1941, to 10 a. m. on October 6, 1941, at a hearing room of the Division at the Circuit Court Room, County Court House, Marion, Illinois;

It is further ordered, That W. A. Shipman, or any other officers of the Bituminous Coal Division designated by the Acting Director thereof for that purpose shall preside at the hearing in the above entitled matter, vice Charles S. Mitchell.
 Dated: September 26, 1941.

[SEAL]

DAN H. WHEELER,
 Acting Director.

[F. R. Doc. 41-7240; Filed, September 29, 1941;
 9:51 a. m.]

[Docket No. A-983]

PETITION OF THE BITUMINOUS COAL CONSUMERS' COUNSEL FOR THE ESTABLISHMENT OF MAXIMUM PRICES FOR ALL COALS

MEMORANDUM OPINION AND ORDER GRANTING MOTION TO AMEND AND DENYING REQUEST FOR ORAL ARGUMENT

On July 23, 1941, the Bituminous Coal Consumers' Counsel filed a petition with the Bituminous Coal Division requesting the expeditious establishment of maximum prices for all coals. The hearing in this matter was convened on September 9 before C. R. Larrabee, a duly designated Examiner of the Division. Numerous parties intervened and appeared at the hearing.

On September 24, 1941, in the course of the hearing, the Bituminous Coal Consumers' Counsel filed a motion to amend

¹ The original petition filed in this matter also requested an increase in the effective minimum prices heretofore established for the coal produced at the Sulphur Springs Mine (Mine Index No. 616) of the Jones Coal and Clay Company for shipment by rail. On the petition of District Board No. 13 filed on July 21, 1941, the original petition was amended by deleting therefrom all matters in connection with prices for the coals produced at the said mine.

its original petition in several respects, set forth below.¹ Numerous parties stated that they had no objection to the motion being granted. Only National Association of Hothouse Vegetable Growers, et al., a party to this proceeding, opposed the motion. The Examiner referred the motion, together with the transcript of the proceedings containing the motion and the argument, to the undersigned. The National Association of Hothouse Vegetable Growers requested that they be permitted to submit oral argument to the Director in opposition to the granting of the motion to amend.

The undersigned has read and considered the record relating to the motion herein and the statement in opposition thereto made by the Hothouse Growers Association. It appears to the director that no satisfactory reason has been advanced against the granting of the motion and that the granting of the motion will not prejudice any of the parties. Consideration having been given to the statement made against the motion, it appears that no purpose would be served by allowing oral argument thereon.

Now, therefore, it is ordered, That the request of the National Association of Hothouse Vegetable Growers, et al., to be permitted to make oral argument is denied.

It is further ordered, That the motion of the Bituminous Coal Consumers' Counsel be and it hereby is granted and its original petition be and it hereby is amended to read as follows:

A. Paragraph II of said petition is amended to read as follows:

Your petitioner is informed and believes that prices being charged for bituminous coal in certain markets are excessive and oppressive of consumers.

B. Paragraph IV, by striking out the following sentence which appears on page 2 of the petition (starting on the

¹ The Amendments proposed are as follows:

(1) Amend paragraph 2, which now reads: "Your petitioner is informed by many letters from consumers throughout the country and from other sources, and believes, that prices being charged for bituminous coal in many markets are excessive and oppressive of consumers, such prices in many instances approaching the proportions of profiteering." to read:

"Your petitioner is informed and believes that prices being charged for bituminous coal in certain markets are excessive and oppressive of consumers."

The other Amendments proposed are:

(1) To amend Paragraph 4 of his original petition by striking out the following sentence which appears on page 2 of the petition:

"In the face of overwhelmingly favorable popular response to this appeal by millions of patriotic citizens, many bituminous coal producers have taken advantage of the stimulated demand for coal by increasing their prices to unwarranted figures."

(2) By striking out the word "such" which is the first word of the last complete sentence in Paragraph IV and substituting therefor the word "unwarranted."

(3) By striking Paragraph V of the petition in its entirety.

eighth line from the bottom of the page):

In the face of overwhelmingly favorable popular response to this appeal by millions of patriotic citizens, many bituminous coal producers have taken advantage of the stimulated demand for coal by increasing their prices to unwarranted figures.

C. Further amending Paragraph IV by changing the word "such" to the word "unwarranted," so that as amended the last complete sentence in Paragraph IV reads as follows:

Unwarranted price increases threaten to weaken the effectiveness of the summer buying program, and, if allowed to continue, would have the effect of permitting coal producers to reap unreasonable profits from popular cooperation in a program important to our National Defense effort.

D. Paragraph V is stricken and deleted.

Dated: September 25, 1941.

[SEAL]

H. A. GRAY,
 Director.

[F. R. Doc. 41-7241; Filed, September 29, 1941;
 9:51 a. m.]

General Land Office.

AIR NAVIGATION SITE WITHDRAWAL No. 167

ALASKA

It is ordered, Under and pursuant to the provisions of section 4 of the act of May 24, 1928, 45 Stat. 729, 49 U.S.C. 214, that the public lands near Gulkana, Alaska lying within the following-described boundaries be, and they are hereby, withdrawn from all forms of appropriation under the public-land laws, subject to valid existing rights, for the use of the Department of Commerce in the maintenance of air-navigation facilities:

TRACT No. 1

Beginning at a point on the east boundary of the right of way of the Richardson Highway from which the center of Dry Creek Bridge on said highway bears S. 35°35' W., 1,358.60 feet, said bridge being in NE¼ sec. 7, T. 4 N., R. 1 W., Copper River Meridian, at about mile 118.4 on the highway.

Thence, by metes and bounds, N. 28°21' E., 4,515 feet, along boundary of said highway, N. 7°32' E., 1,941.7 feet, along boundary of said highway, S. 61°39' E., 6,020 feet, S. 28°21' W., 6,330 feet, N. 61°39' W., 5,330 feet to the point of beginning.

The tract is in secs. 5, 6, 7, and 8, T. 4 N., R. 1 W., Copper River Meridian, about 9.6 miles south of Gulkana station and contains 783 acres more or less.

TRACT No. 2

Beginning at a point on the west boundary of the right of way of the Richardson Highway from which the center of Dry Creek Bridge on said highway bears S. 17°24' 53" W., 16,893.18 feet; said bridge being in NE¼ sec. 7, T. 4 N., R. 1 W., Copper River Meridian, at about mile 118.4 on the highway.

Thence, by metes and bounds,

N. 9°31' E., 1,320 feet along boundary of said highway,
N. 80°29' W., 5,280 feet,
S. 9°31' W., 1,320 feet,
S. 80°29' E., 5,280 feet to the point of beginning.

The tract is in unsurveyed secs. 19, 20, 29, and 30, T. 5 N., R. 1 W., Copper River Meridian, about 6.2 miles south of Gulkana station and contains 160 acres more or less.

[SEAL] HAROLD L. ICKES,
Secretary of the Interior.

SEPTEMBER 15, 1941.

[F. R. Doc. 41-7243; Filed, September 29, 1941;
10:03 a. m.]

DEPARTMENT OF LABOR.

Wage and Hour Division.

NOTICE OF ISSUANCE OF SPECIAL CERTIFICATES FOR THE EMPLOYMENT OF LEARNERS UNDER THE FAIR LABOR STANDARDS ACT OF 1938

Notice is hereby given that Special Certificates authorizing the employment of learners at hourly wages lower than the minimum wage rate applicable under section 6 of the Act are issued under section 14 thereof, Part 522 of the Regulations issued thereunder (August 16, 1940, 5 F. R. 2862) and the Determination and Order or Regulation listed below and published in the FEDERAL REGISTER as here stated.

Apparel Learner Regulations, September 7, 1940 (5 F. R. 3591).

Artificial Flowers and Feathers Learner Regulations, October 24, 1940 (5 F. R. 4203).

Glove Findings and Determination of February 20, 1940, as amended by Administrative Order of September 20, 1940 (5 F. R. 3748).

Hosiery Learner Regulations, September 4, 1940 (5 F. R. 3530).

Independent Telephone Learner Regulations, September 27, 1940 (5 F. R. 3829).

Knitted Wear Learner Regulations, October 10, 1940 (5 F. R. 3982).

Millinery Learner Regulations, Custom Made and Popular Priced, August 29, 1940 (5 F. R. 3392, 3393).

Textile Learner Regulations, May 16, 1941 (6 F. R. 2446).

Woolen Learner Regulations, October 30, 1940 (5 F. R. 4302).

The employment of learners under these Certificates is limited to the terms and conditions as to the occupations, learning periods, minimum wage rates, et cetera, specified in the Determination and Order or Regulation for the industry designated above and indicated opposite the employer's name. These Certificates become effective September 29, 1941. The Certificates may be cancelled in the manner provided in the Regulations and as indicated in the Certificates. Any person aggrieved by the issuance of any of these Certificates may seek a review or reconsideration thereof.

NAME AND ADDRESS OF FIRM, INDUSTRY, PRODUCT, NUMBER OF LEARNERS AND EXPIRATION DATE

The following certificates at the rate of 75% of the applicable hourly minimum wage.

Apparel

American Underwear Manufacturing Company, Inc., 333 Hamilton Street, Allentown, Pennsylvania; Men's & Boys' Cotton Shorts; 5 learners; September 29, 1942.

The Andala Company, Andalusia, Alabama; Work Shirts, Army Shirts; 15 learners; March 23, 1942.

B & B Manufacturing Company, Inc., 26 Canfield Street, Orange, New Jersey; Wash Frocks; 3 learners; September 29, 1942.

Boston Marilyn Dresses, 91 Willow Street, Lynn, Massachusetts; Dresses; 5 learners; September 29, 1942.

Brookfield - Garrison Manufacturing Company, Warrensburg, Missouri; Pants, Shirts, Coveralls, Army Jackets, One Piece Suits; 10 learners; March 9, 1942.

Cape Ann Manufacturing Company, 31 Commercial Street, Gloucester, Massachusetts; Mackinaws; 5 percent; September 29, 1942.

Carter and Churchill Company, 15 Parkhurst Street, Lebanon, New Hampshire; Sport and Ski Jackets, Ski Pants, Mackinaws, Snowsuits; 5 learners; September 29, 1942.

Carwood Manufacturing Company, Monroe, Georgia; Overalls and Denim Coats; 125 learners; March 9, 1942. (This certificate replaces one issued bearing the expiration date of January 5, 1942.)

Crescent Corset Company, Inc., 165 Main Street, Cortland, New York; Bandeaux, Corsets, Combinations, Slips; 10 percent; September 29, 1942.

R. M. Crouthamel, Inc., South Third Street, Perkasee, Pennsylvania; Men's Clothing; 5 percent; September 29, 1942.

D & D Shirt Company, Northampton, Pennsylvania; Shirt Contracting; 10 percent; September 11, 1942. (This certificate effective September 11, 1941 and expires September 11, 1942 instead of September 11, 1941 as erroneously recorded in FEDERAL REGISTER of that date.)

Eloesser Heyneman Company, 1161-65 Mission Street, San Francisco, California; Overalls, Pants and Shirts; 10 percent; September 29, 1942.

The Enro Shirt Company, Inc., 1018 South Preston Street, Louisville, Kentucky; Men's Shirts and Pajamas; 10 percent; September 29, 1942.

Every Buddy's Blouse Company, 720 Twelfth Street, Union City, New Jersey; Boys' Shirts and Blouses; 7 learners; September 29, 1942.

The Fechheimer Brothers Company, Fourth and Pike Streets, Cincinnati, Ohio; Men's Uniform Clothing; 100 learners; January 26, 1942.

Robert Fox Company, Inc. 72 Germanville Avenue, Mystic, Connecticut; Che-

nille Robes; 5 learners; September 29, 1942.

Hagerstown Manufacturing Company, 113 Summit Avenue, Hagerstown, Maryland; Children's Dresses; 5 learners; September 29, 1942.

Harwood Manufacturing Corporation, Marion, Virginia; Men's & Boys' Underwear; 60 learners; March 9, 1942.

Harwood Manufacturing Corporation, Marion, Virginia; Men's & Boys' Underwear; 10 percent; September 29, 1942. (This certificate replaces one issued bearing expiration date of October 4, 1941.)

Jacobs Brothers, St. Paul, Virginia; Nurse and Maid Uniforms; 128 learners; March 30, 1942.

I. Janov Shirt Company, 469 West Broad Street, Hazleton, Pennsylvania; Dress Shirts, Collars and Sleeping Wear; 10 percent; September 29, 1942.

Johnson's Gloves, Inc., 307 West Second Street, Marshfield, Wisconsin; Leather and Cloth Jackets, Raincoats; 5 learners; September 29, 1942. (This certificate replaces one issued effective September 11, 1941.)

Missouri Garment Company, 2617 Grand Avenue, Kansas City, Missouri; Dresses; 10 percent; September 29, 1942.

The Moyer Manufacturing Company, 18-24 North Walnut Street, Youngstown, Ohio; Trousers; 10 percent; September 29, 1942. (This certificate replaces one issued bearing expiration date of October 1, 1941.)

Reliance Manufacturing Company, Mississippi Avenue, Mitchell, Indiana; Work Shirts, Children's Play Suits; 10 percent; September 29, 1942.

Robinson Manufacturing Company, Dayton, Tennessee; Woven Cotton Underwear; 10 percent; September 29, 1942. (This certificate replaces one bearing expiration date of October 22, 1941.)

S & B Manufacturing Company, Andalusia, Alabama; Work Pants; 15 learners; March 23, 1942.

Shriner Manufacturing Company, Union Bridge, Maryland; Pajamas; 5 learners; September 29, 1942.

Smoler Brothers, Inc., 2300 Wabansia Avenue, Chicago, Illinois; Ladies' Dresses; 10 percent; September 29, 1942.

The Thompson Shirt Company, Brownstown, Lancaster County, Pennsylvania; Dress Shirts; 10 percent; September 29, 1942. (This certificate replaces ones issued bearing expiration dates of November 8, 1941 and October 13, 1941.)

Tiny Grace Frocks, "I" and Ontario Streets, Philadelphia, Pennsylvania; Children's Dresses; 5 percent; September 29, 1942.

Triangle Raincoat Company, 461 East Federal Street, Youngstown, Ohio; Raincoats; Snowsuits; 10 percent; March 29, 1942.

Troy Sportswear Company, 261 River Street, Troy, New York; Men's & Boys' Sweaters; 3 learners; September 29, 1942.

Vanity Corset Company, Inc., 16 East 34th Street, New York, New York; Foundation Garments; 10 learners; March 9, 1942.

Wentworth Manufacturing Company, 425 Pleasant Street, Fall River, Massachusetts; 300 learners; March 30, 1942.

Gloves

Gutmann Mayer Glove Corporation, 116 Nassau Street, Brooklyn, New York; Knit Fabric Gloves; 5 learners; September 29, 1942.

Smart Set Glove Company, Inc., 15-17 James Street, Gloversville, New York; Leather Dress Gloves; 4 learners; March 29, 1942.

Wells Lamont Smith Corporation, McMinnville, Oregon; Work Gloves; 5 percent; September 29, 1942.

Hosiery

Black Hosiery Mills Company, Midland, North Carolina; Seamless Hosiery; 5 learners; September 29, 1942.

Browning Hosiery Mills, Bridgeport, Alabama; Seamless Hosiery; 5 percent; September 29, 1942.

C and M Hosiery Mills, Inc., 100-4 South Hanover Street, Baltimore, Maryland; Seamless Hosiery; 5 learners; September 29, 1942.

Carmichael Hosiery Mill, McDonough, Georgia; Seamless Hosiery; 5 learners; September 29, 1942.

John B. Davidson Woolen Mills, Inc., Eaton Rapids, Michigan; Seamless Hosiery; 5 learners; September 29, 1942.

Marlow Hosiery Mill, R. F. D. #1, Hickory, North Carolina; Seamless Hosiery; 3 learners; September 29, 1942.

Maryon Hosiery Mill, Box 164, Carrollton, Georgia; Seamless Hosiery; 5 learners; September 29, 1942.

Milne Hosiery Mills, S. Broad Street, Cleveland, Tennessee; Seamless Hosiery; 5 learners; May 29, 1942.

Milne Hosiery Mills, S. Broad Street, Cleveland, Tennessee; Seamless Hosiery; 5 learners; September 29, 1942.

Portage Hosiery Company, 107 E. Mullett Street, Portage, Wisconsin; Seamless Hosiery; 5 percent; September 29, 1942.

The Robbins Knitting Company, Spruce Pine, North Carolina; Seamless Hosiery; 5 percent; September 29, 1942.

Summers Hosiery Mills, Inc., 620 N. Shaver Street, Salisbury, North Carolina; Seamless Hosiery; 5 learners; September 29, 1942.

Knitted Wear

Textile Specialty Corporation, 39 West 19th Street, New York, New York; Commercial Knitting; 5 learners; February 2, 1942.

Millinery

Lord Hat Company, 640 S. Broadway, Los Angeles, California; Custom-Made Millinery; 2 learners; September 29, 1942.

Textile

Shapiro and Son Curtain Corporation, 659 North 13th Street, Easton, Pennsyl-

vania; Chenille Bedspreads; 5 percent; September 29, 1942.

C. B. Wood and Company, Rocky Face, Georgia; Chenille Bedspreads; 5 learners; September 29, 1942.

Signed at Washington, D. C., this 29th day of September 1941.

MERLE D. VINCENT,
Authorized Representative
of the Administrator.

[F. R. Doc. 41-7253; Filed, September 29, 1941; 11:48 a. m.]

NOTICE OF ISSUANCE OF SPECIAL CERTIFICATES FOR THE EMPLOYMENT OF LEARNERS UNDER THE FAIR LABOR STANDARDS ACT OF 1938

Notice is hereby given that Special Certificates authorizing the employment of learners at hourly wages lower than the minimum rate applicable under section 6 of the Act are issued under section 14 thereof and § 522.5 (b) of the Regulations issued thereunder (August 16, 1940, F.R. 2862) to the employers listed below effective September 29, 1941.

The employment of learners under these Certificates is limited to the terms and conditions as designated opposite the employer's name. These Certificates are issued upon the employers' representations that experienced workers for the learner occupations are not available for employment and that they are actually in need of learners at subminimum rates in order to prevent curtailment of opportunities for employment. The Certificates may be cancelled in the manner provided for in the Regulations and as indicated on the Certificates. Any person aggrieved by the issuance of these Certificates may seek a review or reconsideration thereof.

NAME, AND ADDRESS OF FIRM, PRODUCT, NUMBER OF LEARNERS, LEARNING PERIOD, LEARNER WAGE, LEARNER OCCUPATIONS, EXPIRATION DATE

Avon Paper Box Company, 1120 E. Cumberland Street, Avon, Pennsylvania; Converted Paper Products; Paper Boxes; 3 learners; 6 weeks for any one learner; 30 cents per hour; Basic hand and machine box making operations, except cutting, scoring and slitting; March 17, 1942. (This certificate effective September 18, 1941, and expires March 17, 1942, instead of March 17, 1941, as erroneously recorded in the FEDERAL REGISTER of September 18, 1941.)

Jose Escalante and Company, 1018 Poeyfarre Street, New Orleans, Louisiana; Cigar Industry; 15 learners; 8 weeks for any one learner; 75% of applicable minimum wage rate; Cigar Machine Operating; September 29, 1942.

Signed at Washington, D. C., this 29th day of September 1941.

MERLE D. VINCENT,
Authorized Representative
of the Administrator.

[F. R. Doc. 41-7254; Filed, September 29, 1941; 11:48 p. m.]

NOTICE OF HEARING ON MINIMUM WAGE RECOMMENDATION OF INDUSTRY COMMITTEE NO. 36 FOR THE WOOLEN INDUSTRY

Whereas the Administrator of the Wage and Hour Division of the United States Department of Labor, acting pursuant to section 5 (b) of the Fair Labor Standards Act of 1938, on August 27, 1941, by Administrative Order No. 126, appointed Industry Committee No. 36 for the Woolen Industry, composed of an equal number of representatives of the public, employers in the industry and employees in the industry, such representatives having been appointed with due regard to the geographical regions in which the industry is carried on; and

Whereas, Industry Committee No. 36, on September 24, 1941, recommended a minimum wage rate for the Woolen Industry and duly adopted a report containing such recommendation and reasons therefor and filed such report with the Administrator on September 24, 1941, pursuant to section 8 (d) of the Act and § 511.19 of the Regulations issued under the Act; and

Whereas the Administrator is required by section 8 (d) of the Act, after due notice to interested persons and giving them an opportunity to be heard, to approve and carry into effect by order the recommendation of Industry Committee No. 36 if he finds that the recommendation is made in accordance with law and is supported by the evidence adduced at the hearing before him, and taking into consideration the same factors as are required to be considered by the Industry Committee, will carry out the purposes of section 8 of the Act; and, if he finds otherwise, to disapprove such recommendation;

Now, therefore, notice is hereby given that:

I. The recommendation of Industry Committee No. 36 is as follows:

Every employer shall pay not less than 40 cents per hour to each of his employees who is engaged in commerce or in the production of goods for commerce in the Woolen Industry as defined in Administrative Order No. 126, dated August 27, 1941.

II. The definition of the Woolen Industry as set forth in Administrative Order No. 126, issued August 27, 1941, is as follows:

(a) The manufacturing or processing of all yarns (other than carpet yarns) spun entirely from wool or animal fiber (other than silk); and all processes preparatory thereto.

(b) The manufacturing, dyeing or other finishing of fabrics and blankets (other than carpets, rugs and pile fabrics) woven from yarns spun entirely of wool or animal fiber (other than silk).

(c) The manufacturing, dyeing, or other finishing of fulled suitings, coatings, topcoatings, and overcoatings knit from yarns spun entirely of wool or animal fiber (other than silk).

(d) The picking of rags and clips made entirely from wool or animal fiber (other than silk), and the garnering of wool or animal fiber (other than silk) from rags, clips, or mill waste; and other processes related thereto.

(e) The manufacturing of batting, wadding or filling made entirely of wool or animal fiber (other than silk).

(f) The manufacturing or processing of all yarns (other than carpet yarns) spun from wool or animal fiber (other than silk) in combination with cotton, silk, flax, jute or any synthetic fiber; except the manufacturing or processing on systems other than the woolen system of yarns containing not more than 45 percent by weight of wool or animal fiber (other than silk) in combination with cotton, silk, flax, jute or any synthetic fiber.

(g) The manufacturing, dyeing or other finishing of the products enumerated in clauses (b), (c), (d), and (e) from wool or animal fiber (other than silk) in combination with cotton, silk, flax, jute or any synthetic fiber; except products containing not more than 25 percent by weight of wool or animal fiber (other than silk) with a margin of tolerance of 2 percent to meet the exigencies of manufacture.

III. The full text of the report and recommendation of Industry Committee No. 36, together with any dissenting statements which may be filed by a member subsequent to the date of this notice, are and will be available for inspection by any person between the hours of 9:00 A. M. and 4:30 P. M. at the following offices of the United States Department of Labor, Wage and Hour Division:

Boston, Massachusetts, 120 Boylston Street.

New York, New York, 341 Ninth Avenue.
Newark, New Jersey, Essex Building,
31 Clinton Street.

Philadelphia, Pennsylvania, 1216 Widener Building, Chestnut & Juniper Streets.

Pittsburgh, Pennsylvania, 219 Old Post Office Building, Fourth & Smithfield Streets.

Richmond, Virginia, 215 Richmond Trust Building, 627 East Main Street.

Baltimore, Maryland, 201 North Calvert Street.

Raleigh, North Carolina, North Carolina Department of Labor, Salisbury & Edenton Streets.

Atlanta, Georgia, Fifth Floor, Witt Building, 249 Peachtree Street NE.

Columbia, South Carolina, Federal Land Bank Building.

Jacksonville, Florida, 456 New Post Office Building.

Birmingham, Alabama, 1007 Comer Building, 2nd Avenue & 21st Street.

New Orleans, Louisiana, 916 Union Building.

Jackson, Mississippi, 402 Deposit Guaranty Bank Building, 102 Lamar Street.

Nashville, Tennessee, 509 Medical Arts Building, 119 Seventh Avenue North.

Cleveland, Ohio, Main Post Office, West 3rd & Prospect Avenue.

Detroit, Michigan, 348 Federal Building.
Columbus, Ohio, 320 Old Federal Building.

Chicago, Illinois, 1200 Merchandise Mart, 222 West North Bank Drive.

Minneapolis, Minnesota, 406 Pence Building, 730 Hennepin Avenue.

Kansas City, Missouri, 504 Title & Trust Building, Tenth & Walnut Streets.

St. Louis, Missouri, 100 Old Federal Building.

Denver, Colorado, 300 Chamber of Commerce Building.

Dallas, Texas, 824 Santa Fe Building, 1114 Commerce Street.

San Francisco, California, Room 500, Humboldt Bank Building, 785 Market Street.

Los Angeles, California, 417 H. W. Hellman Building.

Seattle, Washington, 305 Post Office Building.

San Juan, Puerto Rico, Box 112 Post Office.

Washington, District of Columbia, Fourth Floor, Department of Labor.

Copies of the Committee's report and recommendation may be obtained by any person upon request addressed to the Administrator of the Wage and Hour Division, Department of Labor, Washington, D. C.

IV. A public hearing will be held on October 15, 1941, before Major Robert N. Campbell, Presiding Officer, at 10:00 A. M. in Room 3229 of the United States Department of Labor Building in Washington, D. C., for the purpose of taking evidence on the following question:

Whether the recommendation of Industry Committee No. 36 shall be approved or disapproved; and

V. Any interested person, supporting or opposing the recommendation of Industry Committee No. 36, may appear at the aforesaid hearing to offer evidence, either on his own behalf or on behalf of any other person; *Provided*, That not later than October 11, 1941, any such person shall file with the Administrator at Washington, D. C., a notice of his intent to appear which shall contain the following information:

1. The name and address of the person appearing.

2. If such person is appearing in a representative capacity, the name and address of the person or persons whom he is representing.

3. Whether such person proposes to appear for or against the recommendation of Industry Committee No. 36.

4. The approximate length of time requested for his presentation.

Such notice may be mailed to the Administrator, Wage and Hour Division, United States Department of Labor, Washington, D. C., and shall be deemed filed upon receipt thereof.

VI. Any person interested in supporting or opposing the recommendation of

Industry Committee No. 36 may secure further information concerning the aforesaid hearing by inquiry directed to the Administrator, Wage and Hour Division, United States Department of Labor, Washington, D. C., or by consulting with attorneys representing the Administrator who will be available for that purpose at the offices of the Wage and Hour Division in Washington, D. C.

VII. Copies of the following documents relating to the Woolen Industry will be made available upon request for inspection by any interested person who intends to appear at the aforesaid hearing:

United States Department of Labor, Wage and Hour Division, Research and Statistics Branch, *Woolen and Worsted Industry*, September, 1941.

United States Department of Labor, Bureau of Labor Statistics, *The Bureau of Labor Statistics' New Index of Cost of Living*, March 15, 1940. Serial No. R-1156.

United States Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*, July, 1939, *Differences in Living Costs in Northern and Southern Cities*. Serial No. R-963.

United States Department of Labor, Bureau of Labor Statistics, *Changes in Cost of Living, December 15, 1940*. Serial No. R-1254.

VIII. The hearing will be conducted in accordance with the following rules, subject, however, to such subsequent modifications by the Administrator or the presiding officer as are deemed appropriate:

1. The hearings shall be stenographically reported and a transcript made which will be available to any person at prescribed rates upon request addressed to the Administrator, Wage and Hour Division, Department of Labor, Washington, D. C.

2. In order to maintain orderly and expeditious procedure, each person filing a Notice to Appear shall be notified, if practicable, of the approximate day and the place at which he may offer evidence at the hearing. If such person does not appear at the time set in the notice he will not be permitted to offer evidence at any other time except by special permission of the presiding officer.

3. At the discretion of the presiding officer the hearing may be continued from day to day, or adjourned to a later date, or to a different place, by announcement thereof at the hearing by the presiding officer, or by other appropriate notice.

4. At any stage of the hearing, the presiding officer may call for further evidence upon any matter. After the presiding officer has closed the hearing before him, no further evidence shall be taken, except at the request of the Administrator, unless provision has been made at the hearing for the later receipt of such evidence. In the event that the Administrator shall cause the hearing to be reopened for the purpose of receiving further evidence, due and reasonable no-

tice of the time and place fixed for such taking of testimony shall be given to all persons who have filed a notice of intention to appear at the hearing.

5. All evidence must be presented under oath or affirmation.

6. Written documents or exhibits, except as otherwise permitted by the presiding officer, must be offered in evidence by a person who is prepared to testify as to the authenticity and trustworthiness thereof, and who shall, at the time of offering the documentary exhibit, make a brief statement as to the contents and manner of preparation thereof.

7. Written documents and exhibits shall be tendered in duplicate and the persons preparing the same shall be prepared to supply additional copies if such are ordered by the presiding officer. When evidence is embraced in a document containing matter not intended to be put in evidence, such a document will not be received, but the person offering the same may present to the presiding officer the original document together with two copies of those portions of the document intended to be put in evidence. Upon presentation of such copies in proper form the copies will be received in evidence.

8. Subpoenas requiring the attendance of witnesses or the presentation of a document from any place in the United States at any designated place of hearing may be issued by the Administrator at his discretion, and any person appearing in the proceeding may apply in writing for the issuance by the Administrator of the subpoena. Such application shall be timely and shall identify exactly the witness or document and state fully the nature of the evidence proposed to be secured.

9. Witnesses summoned by the Administrator shall be paid the same fees and mileage as are paid witnesses in the courts of the United States. Witness fees and mileage shall be paid by the party at whose instance witnesses appear, and the Administrator before issuing subpoena may require a deposit of an amount adequate to cover the fees and mileage involved.

10. The rules of evidence prevailing in the courts of law or equity shall not be controlling.

11. The presiding officer may, at his discretion, permit any person appearing in the proceedings to cross-examine any witness offered by another person in so far as is practicable, and to object to the admission or exclusion of evidence by the presiding officer. Requests for permission to cross-examine a witness offered by another person and objections to the admission or exclusion of evidence shall be stated briefly with the reasons for such request or the ground of objection relied on. Such requests or objections shall become a part of the record, but this record shall not include argument thereon except as ordered by the presiding officer. Objections to the approval of the Committee's recommendation and to the promulgation of a wage

order based upon such approval must be made at the hearing before the presiding officer.

12. Before the close of the hearing, the presiding officer shall receive written requests from persons appearing in the proceeding for permission to make oral arguments before the Administrator upon the matter in issue. These requests will be forwarded to the Administrator by the presiding officer with the record of the proceedings. If the Administrator, in his discretion, allows the request, he shall give such notice thereof as he deems suitable to all persons appearing in the proceedings, and shall designate the time and place at which the oral arguments shall be heard. If such requests are allowed, all persons appearing at the hearing will be given opportunity to present oral argument.

13. Briefs (12 copies) may be submitted to the Administrator following the close of the hearing, by any persons appearing therein. Notice of the final dates for filing such briefs shall be given by the Administrator in such manner as shall be deemed suitable by him.

14. On the close of the hearing the presiding officer shall forthwith file a complete record of the proceedings with the Administrator. The presiding officer shall not file an intermediate report unless so directed by the Administrator. If a report is filed, it shall be advisory only and have no binding effect upon the Administrator.

15. No order issued as a result of the hearing will take effect until after due notice is given of the issuance thereof by publication in the FEDERAL REGISTER.

Signed at Washington, D. C. this 29th day of September 1941.

BAIRD SNYDER III,
Acting Administrator.

[F. R. Doc. 41-7255; Filed, September 29, 1941;
11:51 a. m.]

CIVIL AERONAUTICS BOARD.

[Docket No. 491]

IN THE MATTER OF THE APPLICATION OF AMERICAN EXPORT AIRLINES, INC., UNDER SECTION 408 (b) OF THE CIVIL AERONAUTICS ACT OF 1938, AS AMENDED, FOR APPROVAL OF THE ACQUISITION OF ALL, OR SUBSTANTIALLY ALL, OF THE ISSUED AND OUTSTANDING STOCK OF TACA, S. A.

NOTICE OF POSTPONEMENT OF ORAL ARGUMENT

Oral argument on the above-entitled proceeding, now assigned for October 1, 1941, is hereby postponed to October 2, 1941, 10 o'clock a. m. (Eastern Standard Time) in Room 5044, Commerce Building, 14th Street and Constitution Avenue NW., Washington, D. C.

Dated Washington, D. C., September 27, 1941.

By the Board.

[SEAL] DARWIN CHARLES BROWN,
Secretary.

[F. R. Doc. 41-7244; Filed, September 29, 1941;
10:04 a. m.]

FEDERAL SECURITY AGENCY.

Social Security Board.

CERTIFICATION TO THE INDUSTRIAL COMMISSION OF THE STATE OF WISCONSIN PURSUANT TO SECTION 1602 OF THE INTERNAL REVENUE CODE

The Industrial Commission of the State of Wisconsin having duly submitted to the Social Security Board, pursuant to the provisions of section 1602 (b) (3) of the Internal Revenue Code, as amended, the Wisconsin Unemployment Reserves and Compensation Act, as amended, and

The Social Security Board having considered the provisions of said Act to determine whether or not reduced rates of contributions are allowable thereunder under conditions fulfilling the requirements of section 1602 of the Internal Revenue Code.

The Board hereby finds that:

(1) The said Act provides for the maintenance of reserve accounts as defined in section 1602 (c) (1) of the Internal Revenue Code, and

(2) Reduced rates of contributions under said Act to such reserve accounts are allowable only in accordance with the provisions of section 1602 (a) (3) of the Internal Revenue Code, as effective January 1, 1942.

Pursuant to the provisions of section 1602 (b) (3) of the Internal Revenue Code, the Board hereby directs that the foregoing findings be certified to the Industrial Commissioner of the State of Wisconsin: *Provided*, That said findings shall not be construed to be applicable with respect to reduced rates of contributions permitted under § 108.15 of said Act to so-called "special accounts" maintained for governmental units.

[SEAL] SOCIAL SECURITY BOARD,
A. J. ALTMAYER,

Chairman.

SEPTEMBER 24, 1941.

Approved:

PAUL V. McNUTT,
Administrator.

[F. R. Doc. 41-7217; Filed, September 26, 1941;
2:14 p. m.]

SECURITIES AND EXCHANGE COMMISSION.

[File No. 70-406]

IN THE MATTER OF CENTRAL ILLINOIS PUBLIC SERVICE COMPANY

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 29th day of September, A. D. 1941.

Notice is hereby given that a declaration or application (or both), has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by the above named party; and

Notice is further given that any interested person may, not later than October 15, 1941 at 4:30 P. M., E. S. T., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request and the nature of his interest, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter such declaration or application, as filed or as amended, may become effective or may be granted, as provided in Rule U-23 of the Rules and Regulations promulgated pursuant to said Act or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D. C.

All interested persons are referred to said declaration or application, which is on file in the office of said Commission, for a statement of the transactions therein proposed, which are summarized below:

Central Illinois Public Service Company, a subsidiary of The Middle West Corporation, a registered holding company, proposes, pursuant to authorization of the Illinois Commerce Commission, to issue and sell (a) \$38,000,000 principal amount of its First Mortgage Bonds, Series A, due October 1, 1971, and (b) \$9,000,000 principal amount of unsecured notes due serially April 1, 1942–October 1, 1951. The Company proposes to apply the proceeds from the sale of these securities, together with other moneys of the Company to the extent required, to the redemption of \$38,000,000 principal amount of outstanding First Mortgage Bonds, Series A, 3¾%, due December 1, 1968, of the Company, and to the redemption (or payment at maturity) of \$9,000,000 principal amount of outstanding Serial Debentures, 3½% and 4%, of the Company, due serially December 1, 1941–December 1, 1948. The interest rates on the bonds and the unsecured notes proposed to be issued will be supplied by amendment. The proposed notes will not be sold publicly.

It is contemplated that a public offering of the Bonds will be made by underwriters after compliance with the provisions of Rule U-50.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 41-7245; Filed, September 29, 1941;
11:29 a. m.]

[File No. 70-357]

IN THE MATTER OF NEW ENGLAND GAS AND
ELECTRIC ASSOCIATION AND NEW HAMPSHIRE
GAS AND ELECTRIC COMPANY

NOTICE OF AND ORDER FOR HEARING WITH
RESPECT TO CERTAIN PROPOSED FEES

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 27th day of September, A. D. 1941.

The Commission by order dated September 24, 1941, having granted appli-

cations, pursuant to Rule U-50 and sections 6 (b) and 10 of the Public Utility Holding Company Act of 1935, filed by New England Gas and Electric Association, a registered holding company, and its subsidiary, New Hampshire Gas and Electric Company, regarding the issue and sale by New Hampshire Gas and Electric Company of \$1,500,000 additional Common Stock and \$1,000,000 principal amount of First Mortgage 3½% Bonds, Series B, due 1971; and

The Commission in the said order of September 24, 1941, with the consent of the applicants, having reserved jurisdiction over a fee in the amount of \$10,000 proposed to be paid to The First Boston Corporation, Boston, Massachusetts, for services rendered in connection with the above transaction, to determine whether such fee is or is not reasonable, and whether such fee should or should not be paid;

It is ordered, That a hearing be held on such matter on October 15, 1941, at 10:00 o'clock in the forenoon of that day, in the office of the Securities and Exchange Commission, 1778 Pennsylvania Avenue NW., Washington, D. C., for the purpose of determining whether such fee is or is not reasonable, and whether such fee should or should not be paid. On such day the hearing-room clerk in Room 1102 will advise as to the room where such hearing will be held.

It is further ordered, That Willis E. Monty or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

It is further ordered, That notice of said hearing be and hereby is given to New England Gas and Electric Association, New Hampshire Gas and Electric Company, and The First Boston Corporation and to any other person whose participation in such proceedings may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party in said proceedings shall file a notice to that effect with this Commission on or before October 10, 1941.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 41-7246; Filed, September 29, 1941;
11:29 a. m.]

[File No. 70-404]

IN THE MATTER OF NORTHWESTERN WISCONSIN
ELECTRIC COMPANY

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission held at its

office in the City of Washington, D. C., on the 27th day of September, A. D. 1941.

Notice is hereby given that a declaration or application (or both) has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by the above named party; and

Notice is further given that any interested party may, not later than October 15, 1941, at 4:45 P. M., E. S. T., request the Commission in writing that a hearing be held on such matter, stating the reason for such request and the nature of his interest, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter such declaration or application, as filed or as amended, may become effective or may be granted, as provided in Rule U-23 of the Rules and Regulations promulgated pursuant to said Act, or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D. C.

All interested persons are referred to said declaration or application which is on file in the office of said Commission for a statement of the transactions therein proposed, which are summarized below:

Northwestern Wisconsin Electric Company, a subsidiary company of American Utilities Service Corporation, a registered holding company, proposes to issue 1,056 shares of its common stock having a par value of \$100 per share and to deliver such common stock to said American Utilities Service Corporation as a stock dividend; to issue \$75,000 principal amount of its First Mortgage 3¾% Sinking Fund Bonds, Series B, to be dated as of May 1, 1939, and to mature May 1, 1954, and to sell such bonds to Northwestern National Life Insurance Company, of Minneapolis, Minnesota, at the principal amount thereof plus accrued interest; and to change the interest rate on its presently outstanding First Mortgage 5% Sinking Fund Bonds, Series A, dated as of May 1, 1939, due May 1, 1954, from 5% per annum to 3¾% per annum, and to change the call price provisions with respect to such Series A Bonds, such changes to be by agreement with said Northwestern National Life Insurance Company as the holder of all of such Series A Bonds outstanding.

It is stated that the foregoing transactions have been expressly authorized by the Public Service Commission of the State of Wisconsin, the State Commission of the State in which applicant and declarant is organized and does business. It is further stated that the proceeds of the Series B Bonds are to be used for meeting the company's construction requirements or for the purpose of reimbursing its treasury for construction expenditures heretofore made.

The acquisition of such common stock by American Utilities Service Corporation is the subject of an application already

on file with the Commission (File No. 70-375).

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 41-7247; Filed, September 29, 1941;
11:29 a. m.]

[File No. 59-6]

IN THE MATTER OF THE UNITED GAS IMPROVEMENT COMPANY AND ITS SUBSIDIARY COMPANIES, RESPONDENTS

ORDER DENYING PETITION FOR REHEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 26th day of September, A. D. 1941.

The Commission having on July 30, 1941, issued its Findings and Opinion and Order in the above-entitled matter directing The United Gas Improvement Company to sever its relationship with certain companies named therein;

Respondents having filed with the Commission a Petition for Rehearing of the matters covered by said Order and having averred that the sole purpose in presenting the Petition was to protect their right to appeal from the aforesaid Order if they decide to do so; and

The Commission having reviewed said Order of July 30, 1941, and having carefully considered the subject matter of Respondents' Petition for Rehearing in connection therewith and it appearing that the Petition does not set forth any new facts or raise any new material contentions or other grounds not fully considered by the Commission prior to the entry of said Order on the basis of which the Commission should grant a rehearing with respect thereto;

It is ordered, That said Petition for Rehearing be and the same hereby is denied.

It is further ordered, That said Order of July 30, 1941, is hereby reaffirmed and made effective as of the date hereof.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 41-7248; Filed, September 29, 1941;
11:30 a. m.]

[File No. 1-2845]

IN THE MATTER OF AMERICAN CENTRIFUGAL CORPORATION \$1 PAR VALUE CAPITAL STOCK

ORDER SETTING HEARING ON APPLICATION TO STRIKE FROM LISTING AND REGISTRATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 27th day of September, A. D. 1941.

The New York Curb Exchange, pursuant to Section 12 (d) of the Securities Exchange Act of 1934, as amended, and Rule X-12D2-1 (b) promulgated there-

under, having made application to strike from listing and registration the \$1 Par Value Capital Stock, of American Centrifugal Corporation; and

The Commission deeming it necessary for the protection of investors that a hearing be held in this matter at which all interested persons be given an opportunity to be heard;

It is ordered, That the matter be set down for hearing at 10 a. m. on Tuesday, October 14, 1941, at the office of the Securities & Exchange Commission, 120 Broadway, New York City, and continue thereafter at such times and places as the Commission or its officer herein designated shall determine, and that general notice thereof be given; and

It is further ordered, That Adrian C. Humphreys, an officer of the Commission, be and he hereby is designated to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 41-7249; Filed, September 29, 1941;
11:30 a. m.]

[File No. 813-6]

IN THE MATTER OF RAPID TRANSIT INVESTMENT FUND NO. 2

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 26th day of September, A. D. 1941.

An application having been duly filed by the above named applicant under and pursuant to the provisions of section 6 (b) of the Investment Company Act of 1940 for an order exempting the applicant from all the provisions of the said Act and Rules and Regulations thereunder;

It is ordered, That a hearing on such matter under the applicable provisions of the Act and Rules and Regulations of the Commission thereunder be held on October 3, 1941, at 10:00 o'clock in the forenoon of that day, in the Securities and Exchange Commission Building, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day, the hearing room clerk in Room 1102 will advise the interested parties where such hearing will be held.

It is further ordered, That Charles S. Lobingier, Esq. or any other officer or officers of the Commission designated by it for that purpose shall preside at such hearing on such application. The officer so designated to preside at any such hearing is hereby authorized to exercise all the powers granted to the Commission

under sections 41 and 42 (b) of the Investment Company Act of 1940 and to trial examiners under the Commission's Rules of Practice.

Notice of such hearing is hereby given to the above named applicant and to any other person or persons whose participation in such proceedings may be in the public interest or for the protection of investors.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 41-7250; Filed, September 29, 1941;
11:30 a. m.]

[File No. 813-5]

IN THE MATTER OF INTERURBAN INVESTMENT FUND NO. 2

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 26th day of September, A. D. 1941.

An application having been duly filed by the above named applicant under and pursuant to the provisions of section 6 (b) of the Investment Company Act of 1940 for an order exempting the applicant from all the provisions of the said Act and Rules and Regulations thereunder; or in the alternative for an order pursuant to section 6 (c) of the said Act for exemption from any and all provisions of the said Act and the Rules and Regulations.

It is ordered, That a hearing on such matter under the applicable provisions of the Act and Rules and Regulations of the Commission thereunder be held on October 3, 1941, at 10:00 o'clock in the forenoon of that day, in the Securities and Exchange Commission Building, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day, the hearing room clerk in Room 1102 will advise the interested parties where such hearing will be held.

It is further ordered, That Charles S. Lobingier, Esq., or any other officer or officers of the Commission designated by it for that purpose shall preside at such hearing on such application. The officer so designated to preside at any such hearing is hereby authorized to exercise all the powers granted to the Commission under sections 41 and 42 (b) of the Investment Company Act of 1940 and to trial examiners under the Commission's Rules of Practice.

Notice of such hearing is hereby given to the above named applicant and to any other person or persons whose participation in such proceedings may be in the public interest or for the protection of investors.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 41-7251; Filed, September 29, 1941;
11:30 a. m.]

[File No. 4-40]

IN THE MATTER OF NATURAL GAS PIPELINE
COMPANY OF AMERICA AND CITIES SERVICE
COMPANY, RESPONDENTS

MEMORANDUM OPINION AND ORDER ON MOTION
TO DISMISS PROCEEDING AND WITHDRAW
NOTICE SUSPENDING EXEMPTION.

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 25th day of September, A. D. 1941.

Cities Service Company registered as a holding company under the Public Utility Holding Company Act of 1935 on January 29, 1941. Prior to that time the Commission had promulgated Rule U-3D-15¹ under which subsidiaries of Cities Service Company engaged in the petroleum business, or in any business accessory thereto, the real estate business, or in the production or transportation of natural gas would enjoy certain exemptions from the terms and provisions of the Act, this exemption according to the terms of the rule being subject to withdrawal upon appropriate notice.

Prior to the registration of Cities Service Company, hereinafter referred to, and during the latter part of 1940, Natural Gas Pipeline Company of America, a subsidiary of Cities Service Company, engaged in the transportation of natural gas, commenced a project involving the looping of its lines for which cash advances were made by its parent companies.

Subsequent to the registration by Cities Service Company and acting under and in reliance upon the exemption provided by Rule U-3D-15, Natural Gas Pipeline Company of America began negotiations regarding the sale of \$30,000,000 principal amount of first mortgage bonds to six banks and two insurance companies, to reimburse these outlays, and to provide funds for the completion of the aforementioned project.

¹ The Rule reads as follows:

RULE U-3D-15. Exemption for Subsidiaries of Registered Holding Companies Engaged in Certain Non-Utility Businesses and for Registered Holding Companies as to Transactions with such Subsidiaries. (a) If at the time of registration of any holding company, subsidiaries of such holding company are substantially engaged or interested through subsidiaries in any branch of the petroleum business or in any business accessory thereto, in the real estate business, or in the production or transportation of natural gas, any subsidiary of such registered holding company which is so engaged or interested and is not a public utility or holding company shall be exempt from all duties, obligations and liabilities imposed upon it as such subsidiary by the Act and Rules, except those imposed by the following sections of the Act and Rules thereunder:

- (1) Section 6 (c) and section 8.
- (2) Section 9 (a) and section 10 insofar as they relate to (a) the acquisition of utility

On August 25, 1941 we issued an Order for Hearing with respect to the withdrawal of the exemption provided by Rule U-3D-15. The Order was issued pursuant to the revocation provisions contained in that rule and also pursuant to

assets, (b) the acquisition of an interest in any business other than a business in which such subsidiary company is substantially engaged or interested through subsidiaries, (c) the acquisition of securities (other than securities acquired from customers in the ordinary course of business) issued by a person not substantially engaged in one of the above described businesses in which such subsidiary company is also substantially engaged or interested through subsidiaries, or (d) the acquisition of securities issued by a public utility or holding company.

(3) Section 11 (b).

(4) Any order of the Commission under section 12 of the Act; any Rule under section 12 of the Act which may be applicable to the lending or in any manner extending of credit to or indemnifying any company which is a public utility or holding company or applicable to the declaration of dividends; section 12 (h) and section 12 (i).

(5) Section 13 insofar as applicable to any transaction with any associate companies not of the class entitled to an exemption under this paragraph (a); and any order of the Commission under section 15 of the Act.

(6) Sections 16 and 17.

(7) Any of the administrative sections of the Act (sections 18-29), which may become applicable in connection with any of the matters excluded under items 1-6 inclusive above from the exemption under this paragraph (a).

(b) Any such holding company shall be exempt as such from section 9 (a) of the Act, with respect to the acquisition of securities issued to it by any subsidiary company under the exemption provided by paragraph (a) of this Rule, and from any Rule of the Commission under section 12 (b) or 12 (f) of the Act, with respect to any other transaction with any such subsidiary: *Provided, however,* That the total aggregate investment of such holding company as existing at the date of its registration in all subsidiaries of the class entitled to exemption under paragraph (a) of this rule shall not be increased by reason of any acquisitions or transactions permitted under this paragraph (b).

(c) *Availability and duration of exemption.* The exemptions granted to holding companies by this rule shall only be available to any holding company which registers after the effective date of this rule. The exemptions granted to subsidiary companies by this rule shall only be available to (1) any company which was not a subsidiary of any registered holding company on such date; and (2) any company which was a subsidiary of a registered holding company on such date but was then except from any obligation imposed on it as a subsidiary of such registered holding company by reason of the pendency of an application filed in good faith pursuant to section 2 (a) (8) of the Act. At any time after three months from the date of such registration such exemption may be terminated and this Rule repealed or modified, in whole or in part, as to any such holding company or any of its subsidiaries upon thirty days' prior notice to such holding company, if the Commission deems the further continuance of such exemption or this Rule to be detrimental to the public interest or the interest of investors or consumers.

Rule U-100² and contained a Notice suspending the exemption pursuant to paragraph (b) of that rule.

On September 24, 1941, Cities Service Company, one of the respondents, filed a Motion to dismiss this proceeding and requested that the Notice and Order be vacated. Argument was heard at the time the Motion was filed. The Motion was made on the grounds, among others, that delay would jeopardize the financing program and that no public interest involved was not adequately protected.

It now appears that the proposed financing by Natural Gas Pipeline Company of America has proceeded practically to the point of consummation in reliance upon the exemption granted by the rule hereinabove referred to and that delay incident to the proceedings would jeopardize such financing and the completion of the construction program now under way. The Commission is likewise aware that the outstanding securities of this company which may be affected by the proposed financing are held entirely by several parent companies and that the transaction is proposed with the full knowledge and consent of all security holders directly concerned. The Commission is of the opinion that while the proceeding was properly instituted, nevertheless in view of all the circumstances, particularly those immediately referred to above, that it would be inequitable at this time to revoke the exemption.

We therefore find that the Motion should be granted and

It is so ordered.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 41-7252; Filed, September 29, 1941;
11:30 a. m.]

² Rule U-100 is as follows:

RULE U-100. Orders Granting or Withdrawing Exemptions. (a) *Orders granting exemption from rules.* Any transaction subject to the requirements of any rule promulgated under the Act may be exempted therefrom by the Commission upon application, or upon its own motion provided an application for approval of such transaction or a declaration with respect thereto is pending, if it appears to the Commission that such requirements as applied to such transaction are not necessary or appropriate in the public interest or for the protection of investors or consumers.

(b) *Orders withdrawing exemption.* Any unexecuted transaction which is within the exemption provided in any rule from the requirements of any provision of the Act or of the rules, may nevertheless be subjected thereto by order, after notice and opportunity for hearing, if it appears to the Commission that the withdrawal of such exemption as applied to such transaction would be appropriate in the public interest or the interest of investors or consumers. The Commission may by such notice suspend the applicability of any such exemption to any transaction pending final determination.